

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493197075770

Form 990

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2018

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.

Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2019 calendar year, or tax year beginning 07-01-2018 , and ending 06-30-2019

B Check if applicable:
☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization
Memorial Hermann Health System

% SYSTEM TAX DEPARTMENT
Doing business as

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
929 Gessner Rd Suite 1900

City or town, state or province, country, and ZIP or foreign postal code
Houston, TX 77024

D Employer identification number

74-1152597

E Telephone number

(713) 338-4552

G Gross receipts \$ 5,372,368,681

F Name and address of principal officer:
Dr David Callender
929 Gessner Rd STE 1900
Houston, TX 77024

H(a) Is this a group return for subordinates?
☐ Yes ☒ No
H(b) Are all subordinates included?
☐ Yes ☐ No
If "No," attach a list. (see instructions)
H(c) Group exemption number ▶

I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) () ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ www.memorialhermann.org

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 1910

M State of legal domicile: TX

Part I Summary

1 Briefly describe the organization's mission or most significant activities:
MEMORIAL HERMANN HEALTH SYSTEM IS A NONPROFIT, VALUES-DRIVEN, COMMUNITY-OWNED HEALTH SYSTEM DEDICATED TO IMPROVING HEALTH

2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

3 Number of voting members of the governing body (Part VI, line 1a)

4 Number of independent voting members of the governing body (Part VI, line 1b)

5 Total number of individuals employed in calendar year 2018 (Part V, line 2a)

6 Total number of volunteers (estimate if necessary)

7a Total unrelated business revenue from Part VIII, column (C), line 12

7b Net unrelated business taxable income from Form 990-T, line 34

8 Contributions and grants (Part VIII, line 1h)

9 Program service revenue (Part VIII, line 2g)

10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)

11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)

12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)

14 Benefits paid to or for members (Part IX, column (A), line 4)

15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)

16a Professional fundraising fees (Part IX, column (A), line 11e)

b Total fundraising expenses (Part IX, column (D), line 25) ▶0

17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)

18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)

19 Revenue less expenses. Subtract line 18 from line 12

20 Total assets (Part X, line 16)

21 Total liabilities (Part X, line 26)

22 Net assets or fund balances. Subtract line 21 from line 20

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer

CINDY DE MOYA SVP, CAO/Interim CFO

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN P01207335

Firm's name ▶ ERNST & YOUNG US LLP

Firm's EIN ▶

Firm's address ▶ 425 HOUSTON STREET STE 600

Phone no. (817) 335-1900

FORT WORTH, TX 76102

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form 990 (2018)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐ ☒**1** Briefly describe the organization's mission:

MEMORIAL HERMANN HEALTH SYSTEM IS A NONPROFIT, VALUES-DRIVEN, COMMUNITY-OWNED HEALTH SYSTEM DEDICATED TO IMPROVING HEALTH. OUR VISION IS TO CREATE HEALTHIER COMMUNITIES, NOW AND FOR GENERATIONS TO COME. OUR VALUES ARE COMMUNITY, COMPASSION, CREDIBILITY, AND COURAGE.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a	(Code:) (Expenses \$ 4,391,508,037 including grants of \$ 13,172,701) (Revenue \$ 5,394,184,418)
	See Additional Data

4b	(Code:) (Expenses \$ including grants of \$) (Revenue \$)
-----------	--

4c	(Code:) (Expenses \$ including grants of \$) (Revenue \$)
-----------	--

4d	Other program services (Describe in Schedule O.)
	(Expenses \$ including grants of \$) (Revenue \$)

4e	Total program service expenses ▶ 4,391,508,037
-----------	---

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4 Yes	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10 Yes	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b Yes	
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d Yes	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b Yes	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a Yes	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b Yes	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21 Yes	
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	No

Part IV Checklist of Required Schedules (continued)

		Yes	No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23 Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	No
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a	No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b	No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>	26	No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27	No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a	No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34 Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a Yes	
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	38 Yes	

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a 1,229	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c Yes	

2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		2a	28,763	2b	Yes	
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)				2b	Yes	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?				3a	Yes	
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O				3b	Yes	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?				4a	Yes	
b If "Yes," enter the name of the foreign country: ▶CJ, EI See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).						
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?				5a		No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?				5b		No
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?				5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?				6a		No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?				6b		
7 Organizations that may receive deductible contributions under section 170(c).						
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?				7a		No
b If "Yes," did the organization notify the donor of the value of the goods or services provided?				7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?				7c		No
d If "Yes," indicate the number of Forms 8282 filed during the year				7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?				7e		No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?				7f		No
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?				7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?				7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?						
				8		
9a Did the sponsoring organization make any taxable distributions under section 4966?				9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?				9b		
10 Section 501(c)(7) organizations. Enter:						
a Initiation fees and capital contributions included on Part VIII, line 12				10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities				10b		
11 Section 501(c)(12) organizations. Enter:						
a Gross income from members or shareholders				11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)				11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?						
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.				12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.						
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.				13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans				13b		
c Enter the amount of reserves on hand				13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?				14a		No
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O				14b		
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N				15	Yes	
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O				16		No

Part VI

Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI ☒

Section A. Governing Body and Management

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a 20		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.			
b Enter the number of voting members included in line 1a, above, who are independent	1b 18		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	Yes	
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No
6 Did the organization have members or stockholders?	6	Yes	
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a The governing body?	8a	Yes	
b Each committee with authority to act on behalf of the governing body?	8b	Yes	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	No
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13 Did the organization have a written whistleblower policy?	13	Yes
14 Did the organization have a written document retention and destruction policy?	14	Yes
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a	Yes
b Other officers or key employees of the organization	15b	Yes
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ►

18 Section 6104 requires an organization to make its Form 1023 (or 1024-A if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records:
 ►SYSTEM TAX DEPARTMENT 929 GESSNER RD STE 1900 Houston, TX 77024 (713) 338-4552

Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII ☒

☒

● List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

● List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

● List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

[illegible]

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

[illegible]

1b Sub-Total			
c Total from continuation sheets to Part VII, Section A			
d Total (add lines 1b and 1c)	23,110,579	172,918	2,265,118

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 3,644

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3 Yes	
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4 Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A)	(B)	(C)
Name and business address	Description of services	Compensation
J T Vaughn Construction LLC, 10355 West Park Dr HOUSTON, TX 77042	Contractor	171,886,176
Crothall Healthcare, 13028 Collection Center Dr CHICAGO, IL 60693	Housekeeping	55,286,213
Tellepsen Builders LP, 777 Benmar Ste 400 HOUSTON, TX 77060	Contractor	25,570,182
Siemens Medical Solutions USA Inc, 40 Liberty Blvd MALVERN, PA 19355	Contract Services	17,402,324
Forney Construction LLC, 8945 Longpoint Rd HOUSTON, TX 77055	Construction	14,454,539

<p>2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶ 1,137</p>	
--	--

Part VIII

Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A)	(B)	(C)	(D)		
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514		
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues . . .	1b					
	c	Fundraising events . . .	1c					
	d	Related organizations	1d	9,875,843				
	e	Government grants (contributions)	1e	9,249,678				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	44,083				
	g	Noncash contributions included in lines 1a - 1f:\$ _____						
	h	Total. Add lines 1a-1f	19,169,604					
Program Service Revenue			Business Code					
	2a	NET PATIENT SERVICE REVENUE	622110	5,069,385,007	5,067,953,084	1,431,923		
	b	RENTAL INCOME	531120	84,890,374	84,890,374			
	c	CORPORATE SERVICES	561110	14,166,301	14,166,301			
	d	MANAGEMENT FEES	561110	11,656,994	11,656,994			
	e	OTHER PROGRAM REVENUE	900099	12,015,852	12,015,852			
	f	All other program service revenue.						
	g	Total. Add lines 2a-2f	5,192,114,528					
Other Revenue	3		Investment income (including dividends, interest, and other similar amounts)	118,370,893		-8,922,301	127,293,194	
	4		Income from investment of tax-exempt bond proceeds	0				
	5		Royalties	1,176,327			1,176,327	
	6a	(i) Real	(ii) Personal					
		Gross rents						
		b	Less: rental expenses					
		c	Rental income or (loss)	0	0			
	d	Net rental income or (loss)		0				
	7a	(i) Securities	(ii) Other					
		Gross amount from sales of assets other than inventory						
		b	Less: cost or other basis and sales expenses					
		c	Gain or (loss)					
	d	Net gain or (loss)		0				
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18		a	0			
		b	Less: direct expenses	b	0			
		c	Net income or (loss) from fundraising events . . .		0			
	9a	Gross income from gaming activities. See Part IV, line 19		a	0			
		b	Less: direct expenses	b	0			
c		Net income or (loss) from gaming activities . . .		0				
10a	Gross sales of inventory, less returns and allowances . . .		a	0				
	b	Less: cost of goods sold . . .	b	0				
	c	Net income or (loss) from sales of inventory . . .		0				
Miscellaneous Revenue		Business Code						
11a	CAFETERIA	722514	26,503,957			26,503,957		
b	PARKING	812930	7,082,230			7,082,230		
c	SECURITY	561612	1,330,472			1,330,472		
d	All other revenue			6,620,670		6,620,670		
e	Total. Add lines 11a-11d			41,537,329				
12	Total revenue. See Instructions.			5,372,368,681	5,190,682,605	-7,490,378	170,006,850	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☒

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.				
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	13,172,701	13,172,701		
2 Grants and other assistance to domestic individuals. See Part IV, line 22	0			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16.	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	7,770,126	1,398,800	6,371,326	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	173,906		173,906	
7 Other salaries and wages	1,800,485,987	1,511,672,662	288,813,325	
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	89,865,727	74,238,954	15,626,773	
9 Other employee benefits	217,396,738	184,239,510	33,157,228	
10 Payroll taxes	129,565,076	106,862,901	22,702,175	
11 Fees for services (non-employees):				
a Management	29,310,688	29,310,688		
b Legal	7,796,065	202,795	7,593,270	
c Accounting	2,773,654		2,773,654	
d Lobbying	1,192,554	1,192,554		
e Professional fundraising services. See Part IV, line 17	0			
f Investment management fees	2,595,056		2,595,056	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	822,969,265	778,859,067	44,110,198	
12 Advertising and promotion	23,648,288	6,420,339	17,227,949	
13 Office expenses	88,926,167	76,053,909	12,872,258	
14 Information technology	30,253,844	30,253,844		
15 Royalties	0			
16 Occupancy	176,329,036	175,157,385	1,171,651	
17 Travel	6,421,153	4,416,967	2,004,186	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	3,378,874	2,502,587	876,287	
20 Interest	91,356,463	90,296,989	1,059,474	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	289,944,808	245,888,025	44,056,783	
23 Insurance	15,425,070	8,120,624	7,304,446	0
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a MEDICAL SUPPLIES	812,374,539	804,427,977	7,946,562	
b EQUIPMENT RENTAL & MAINTENANCE	179,555,697	167,438,624	12,117,073	
c LICENSING	7,979,064	7,829,792	149,272	
d SPECIAL FUNCTIONS	6,091,311	5,049,602	1,041,709	
e All other expenses	90,236,562	66,500,741	23,735,821	
25 Total functional expenses. Add lines 1 through 24e	4,946,988,419	4,391,508,037	555,480,382	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part IX ☐

				(A) Beginning of year		(B) End of year	
Assets	1	Cash—non-interest-bearing		266,849,018	1	83,098,919	
	2	Savings and temporary cash investments		14,880,851	2	118,297,567	
	3	Pledges and grants receivable, net		0	3	0	
	4	Accounts receivable, net		713,212,192	4	727,580,495	
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		0	5	0	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	0	
	7	Notes and loans receivable, net		0	7	13,081	
	8	Inventories for sale or use		100,214,254	8	104,694,896	
	9	Prepaid expenses and deferred charges		31,570,976	9	22,302,651	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	6,973,647,599			
	b	Less: accumulated depreciation	10b	3,843,411,870	2,949,520,598	10c	3,130,235,729
	11	Investments—publicly traded securities		0	11	785,962,884	
	12	Investments—other securities. See Part IV, line 11		2,354,526,000	12	1,961,418,734	
	13	Investments—program-related. See Part IV, line 11		0	13	0	
	14	Intangible assets		45,889,666	14	191,154,207	
	15	Other assets. See Part IV, line 11		976,066,422	15	1,046,748,598	
16	Total assets. Add lines 1 through 15 (must equal line 34)		7,452,729,977	16	8,171,507,761		
Liabilities	17	Accounts payable and accrued expenses		615,864,181	17	631,087,378	
	18	Grants payable		0	18	0	
	19	Deferred revenue		0	19	208,552,436	
	20	Tax-exempt bond liabilities		1,412,753,182	20	1,366,955,034	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		0	21	0	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		0	22	0	
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0	
	24	Unsecured notes and loans payable to unrelated third parties		0	24	41,780,354	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17 - 24). Complete Part X of Schedule D		1,366,133,657	25	1,268,835,753	
	26	Total liabilities. Add lines 17 through 25		3,394,751,020	26	3,517,210,955	
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets		4,045,652,999	27	4,646,078,522	
	28	Temporarily restricted net assets		12,325,958	28	0	
	29	Permanently restricted net assets		0	29	8,218,284	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds			30		
	31	Paid-in or capital surplus, or land, building or equipment fund			31		
	32	Retained earnings, endowment, accumulated income, or other funds			32		
33	Total net assets or fund balances		4,057,978,957	33	4,654,296,806		
34	Total liabilities and net assets/fund balances		7,452,729,977	34	8,171,507,761		

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	5,372,368,681
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,946,988,419
3	Revenue less expenses. Subtract line 2 from line 1	3	425,380,262
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	4,057,978,957
5	Net unrealized gains (losses) on investments	5	21,815,735
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	149,121,852
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	4,654,296,806

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☒

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	No	
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	Yes	
c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	Yes	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	Yes	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	Yes	

Additional Data

Software ID:
Software Version:
EIN: 74-1152597
Name: Memorial Hermann Health System

Form 990 (2018)

Form 990, Part III, Line 4a:

Memorial Hermann Health System is a nonprofit, values-driven, community-owned health system dedicated to improving health. Our vision is to create healthier communities, now and for generations to come. Our values are community, compassion, credibility, and courage. Charting a better future. A future that's built upon the HEALTH of our community. This is the driving force for Memorial Hermann, redefining health care for the individuals and many diverse populations we serve. Our 6,700 affiliated physicians and 27,000 employees practice the highest standards of safe, evidence-based, quality care to provide a personalized and outcome-oriented experience across our more than 300 care delivery sites. As one of the largest not-for-profit health systems in Southeast Texas, Memorial Hermann has an award-winning and nationally acclaimed Accountable Care Organization, 17 hospitals and numerous specialty programs and services conveniently located throughout the Greater Houston area. Memorial Hermann-Texas Medical Center is one of the nation's busiest Level I trauma centers and serves as the primary teaching hospital for McGovern Medical School at UTHealth. U.S. News & World Report for 2018-2019 ranks TIRR Memorial Hermann as the best rehabilitation hospital in Texas and No. 3 in the United States. This is the 29th consecutive year TIRR Memorial Hermann has been ranked in the top 10 nationally. Memorial Hermann-Texas Medical Center was also listed in the U.S. News rankings in the specialty areas of Cardiology and Heart Surgery, Ear, Nose and Throat, and Gastroenterology and GI Surgery. Children's Memorial Hermann Hospital was nationally ranked in Pediatric Cardiology and Heart Surgery, as well as Pediatric Neurology and Neurosurgery. The Heart Center at Children's Memorial Hermann Hospital has earned the Society of Thoracic Surgeons' (STS) highest rating for quality related to patient care and congenital heart surgery outcomes. Only 12 pediatric heart programs in the United States and Canada earned the distinguished STS three-star rating for congenital heart surgery, following analysis of data collected from 119 participating programs from January 2014 to December 2017. The STS star rating system is one of the most highly regarded overall measures of quality in health care, comparing the nationally benchmarked outcomes of cardiothoracic surgery programs in the U.S. and Canada. For the seventh time, Memorial Hermann Memorial City Medical Center was named one of the nation's top 100 hospitals by IBM Watson Health. Formerly known as the Truven Health Analytics 100 Top Hospitals, the study spotlights the best-performing hospitals based on a scorecard of publicly available clinical, operational and patient satisfaction metrics and data. Memorial Hermann Southeast Hospital, Memorial Hermann Greater Heights Hospital, Memorial Hermann Southwest Hospital and Memorial Hermann The Woodlands Medical Center all have received Chest Pain Center accreditation from The Joint Commission (TJC). An independent, not-for-profit organization, TJC accredits and certifies nearly 21,000 healthcare organizations and programs in the United States. Healthcare organizations that have received this accreditation have demonstrated a high level of expertise in dealing with patients with heart attack symptoms. Memorial Hermann-Texas Medical Center (TMC) and Memorial Hermann Memorial City Medical Center earned national recognition as top performers for superior quality and safety by the Vizient Quality and Accountability Study. Memorial Hermann-TMC received the 2018 Bernard A. Birnbaum, MD, Quality Leadership Award for Academic Medical Centers, and ranked ninth of 99 participating academic medical centers. Memorial Hermann Memorial City received the 2018 Bernard A. Birnbaum, MD, Quality Leadership Award for Complex Teaching Medical Centers, ranking seventh among 100 participating teaching medical centers. Memorial Hermann Sugar Land Hospital was named a recipient of the 2016 Malcolm Baldrige National Quality Award, the nation's highest Presidential honor for performance excellence. U.S. Commerce Secretary Penny Pritzker made the announcement recognizing Memorial Hermann Sugar Land for its outstanding commitment to sustainable excellence through innovation, improvement and visionary leadership. Since the healthcare category was introduced in 1999, only 21 healthcare organizations nationwide have been awarded the Malcolm Baldrige National Quality Award. Memorial Hermann Sugar Land was the first Houston area hospital and the third in Texas to win the prestigious award. For more than 112 years, our focus has been the best interest of our community. During the fiscal year, Memorial Hermann Health System provided community benefits (as reported to the Texas Department of State Health Services and in accordance with the State of Texas Statutory methodology) of \$1,082,928,550 and more than \$525 million (as reported on the Internal Revenue Service Form 990, Schedule H) annually through school-based health centers and other community benefit programs. During the fiscal year, Memorial Hermann admitted 174,649 patients resulting in 907,590 days of care, delivered 25,303 babies, had 700,134 emergency visits, and 1,560,760 diagnostic and therapy visits. Now and for generations to come, the health of our community will be at the center of what we do-charting a better future for all.

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Charles D Stokes CEO/PRESIDENT	40.0 1.0	X		X				2,486,497	0	339,471
William H Easter III Director - Chair-Elect	1.0 0.0	X						0	0	0
Jason B Few Director	1.0 0.0	X						0	0	0
J Kevin Giglio MD Director	1.0 5.0	X						0	163,168	0
Peter R Huntsman Director	1.0 0.0	X						0	0	0
Gasper Mir III Director	1.0 0.0	X						0	0	0
James R Montague Director	1.0 0.0	X						0	0	0
Melinda H Perrin Director	1.0 0.0	X						0	0	0
William J Campbell Director	1.0 0.0	X						0	0	0
Clarence P Cazalot Jr Director	1.0 0.0	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Roland Garcia Jr Director	1.0 0.0	X						0	0	0
Scott B McClelland Director	1.0 0.0	X						0	0	0
Scott J McLean Director	1.0 0.0	X						0	0	0
Deborah M Cannon Director - Chair	1.0 0.0	X						0	0	0
William F Galtney Jr Director	1.0 0.0	X						0	0	0
David J Graham Director	1.0 0.0	X						0	0	0
R Emmett McDonald MD Director	1.0 1.0	X						0	5,550	0
Stacy P Methvin Director	1.0 0.0	X						0	0	0
Stephen H Pouns Director	1.0 0.0	X						0	0	0
Ira L Flax MD Director	1.0 1.0	X						0	2,600	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Deborah Gordon EVP/CAO/CLO/SECRETARY	40.0 5.0			X				1,119,229	0	169,022
Brian Dean EVP/CFO/TREASURER	40.0 5.0			X				1,276,163	0	180,463
Carrol E Aulbaugh EVP/CFO/TREASURER	40.0 5.0			X				1,035,473	0	194,725
Myron M Shabot MD EVP/CCO	40.0 5.0			X				1,398,800	0	204,263
Warren Shea VP/ASST SECY	40.0 5.0			X				453,965	0	51,321
Paul C O'Sullivan SVP/CEO-Memorial City	40.0 0.0				X			782,260	0	102,348
Erin S Asprec EVP/Acute Care Services/CTO	40.0 5.0				X			2,014,759	0	189,718
Amanda Hammel SVP/CIO	40.0 0.0				X			566,802	0	61,170
Gregory L Haralson SVP/CEO-SW/SL	40.0 0.0				X			801,525	0	94,732
James McCarthy MD EVP/CMO	40.0 5.0				X			619,943	1,600	136,090

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018

Open to Public Inspection

Name of the organization
Memorial Hermann Health System

Employer identification number
74-1152597

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1

☐

A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ).)
- 3

☒

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9

☐

An agricultural research organization described in **170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture. See instructions. Enter the name, city, and state of the college or university: _____
- 10

☐

An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 11

☐

An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 12

☐

An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
- a

☐

Type I. A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
- b

☐

Type II. A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
- c

☐

Type III functionally integrated. A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
- d

☐

Type III non-functionally integrated. A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
- e

☐

Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
- f

Enter the number of supported organizations
- g

Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Part II

Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv), 170(b)(1)(A)(vi), and 170(b)(1)(A)(ix)

(Complete only if you checked the box on line 5, 7, 8, or 9 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support							
Calendar year (or fiscal year beginning in) ▶		(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
1	Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grant.") . . .						
2	Tax revenues levied for the organization's benefit and either paid to or expended on its behalf. . . .						
3	The value of services or facilities furnished by a governmental unit to the organization without charge..						
4	Total. Add lines 1 through 3						
5	The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f). . .						
6	Public support. Subtract line 5 from line 4.						
Section B. Total Support							
Calendar year (or fiscal year beginning in) ▶		(a)2014	(b)2015	(c)2016	(d)2017	(e)2018	(f)Total
7	Amounts from line 4. . .						
8	Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources. . . .						
9	Net income from unrelated business activities, whether or not the business is regularly carried on. . .						
10	Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.). . .						
11	Total support. Add lines 7 through 10						
12	Gross receipts from related activities, etc. (see instructions)					12	
13	First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ <input type="checkbox"/>						
Section C. Computation of Public Support Percentage							
14	Public support percentage for 2018 (line 6, column (f) divided by line 11, column (f))					14	
15	Public support percentage for 2017 Schedule A, Part II, line 14					15	
16a	33 1/3% support test—2018. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>						
b	33 1/3% support test—2017. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>						
17a	10%-facts-and-circumstances test—2018. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>						
b	10%-facts-and-circumstances test—2017. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>						
18	Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/>						

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf. . .						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year.						
c Add lines 7a and 7b. .						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
9 Amounts from line 6. . . .						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources. .						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						
c Add lines 10a and 10b.						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) . .						
13 Total support. (Add lines 9, 10c, 11, and 12.) . .						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here.** ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2018 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2017 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2018 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2017 Schedule A, Part III, line 17	18	

19a 33 1/3% support tests—2018. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

b 33 1/3% support tests—2017. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
1		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
2		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
3a		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
3b		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
3c		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
4a		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
4b		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
4c		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
5a		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
5b		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
5c		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
6		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ) .</i>		
7		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
9a		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
9b		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
9c		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		
10a		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings).</i>		
10b		

Part IV

Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI.		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization (s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions):		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions)		
2 Activities Test. Answer (a) and (b) below.	Yes	No
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
3 Parent of Supported Organizations. Answer (a) and (b) below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.		
b Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		

Part V

Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

<div><div>1</div><div><input type="checkbox"/></div><div>Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.</div></div>			
Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):	1	
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	
Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	<div><div>7</div><div><input type="checkbox"/></div><div>Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)</div></div>		

Part V

Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions	
9 Distributable amount for 2018 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2018	(iii) Distributable Amount for 2018
1 Distributable amount for 2018 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2018 (reasonable cause required-- explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2018:			
a From 2013.			
b From 2014.			
c From 2015.			
d From 2016.			
e From 2017.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2018 distributable amount			
i Carryover from 2013 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2018 from Section D, line 7:			
\$			
a Applied to underdistributions of prior years			
b Applied to 2018 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2018, if any. Subtract lines 3g and 4a from line 2. If the amount is greater than zero, explain in Part VI. See instructions.			
6 Remaining underdistributions for 2018. Subtract lines 3h and 4b from line 1. If the amount is greater than zero, explain in Part VI. See instructions.			
7 Excess distributions carryover to 2019. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2014.			
b Excess from 2015.			
c Excess from 2016.			
d Excess from 2017.			
e Excess from 2018.			

Additional Data

Software ID:

Software Version:

EIN: 74-1152597

Name: Memorial Hermann Health System

Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶**Complete if the organization is described below.** ▶**Attach to Form 990 or Form 990-EZ.**
▶**Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2018

Open to Public Inspection

If the organization answered "Yes" on Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes" on Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes" on Form 990, Part IV, Line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of the organization Memorial Hermann Health System	Employer identification number 74-1152597
--	---

Part I-A

Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1	Provide a description of the organization's direct and indirect political campaign activities in Part IV (see instructions for definition of "political campaign activities")	
2	Political campaign activity expenditures (see instructions)	▶ \$
3	Volunteer hours for political campaign activities (see instructions)	

Part I-B

Complete if the organization is exempt under section 501(c)(3).

1	Enter the amount of any excise tax incurred by the organization under section 4955	▶ \$
2	Enter the amount of any excise tax incurred by organization managers under section 4955	▶ \$
3	If the organization incurred a section 4955 tax, did it file Form 4720 for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b	If "Yes," describe in Part IV.	

Part I-C

Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1	Enter the amount directly expended by the filing organization for section 527 exempt function activities	▶ \$
2	Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities	▶ \$
3	Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b	▶ \$
4	Did the filing organization file Form 1120-POL for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5	Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.	

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
1				
2				
3				
4				
5				
6				

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

A Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures
(The term "expenditures" means amounts paid or incurred.)**(a)** Filing
organization's
totals**(b)** Affiliated
group totals**1a** Total lobbying expenditures to influence public opinion (grass roots lobbying)**b** Total lobbying expenditures to influence a legislative body (direct lobbying)**c** Total lobbying expenditures (add lines 1a and 1b)**d** Other exempt purpose expenditures**e** Total exempt purpose expenditures (add lines 1c and 1d)**f** Lobbying nontaxable amount. Enter the amount from the following table in both columns.

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over \$500,000	20% of the amount on line 1e.
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.
Over \$17,000,000	\$1,000,000.

g Grassroots nontaxable amount (enter 25% of line 1f)**h** Subtract line 1g from line 1a. If zero or less, enter -0-**i** Subtract line 1f from line 1c. If zero or less, enter -0-**j** If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?☐ **Yes** ☐ **No****4-Year Averaging Period Under section 501(h)****(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)****Lobbying Expenditures During 4-Year Averaging Period**

Calendar year (or fiscal year beginning in)	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?	Yes		
e	Publications, or published or broadcast statements?	Yes		
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?	Yes		
i	Other activities?	Yes		1,192,554
j	Total. Add lines 1c through 1i			1,192,554
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carry over lobbying and political expenditures from the prior year?	3	

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues .	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions), and Part II-B, line 1. Also, complete this part for any additional information.

Return Reference	Explanation
PART II-B, LINE 1	MEMORIAL HERMANN ENGAGES WITH NATIONAL, STATE, AND LOCAL REPRESENTATIVES AND THEIR STAFF MEMBERS TO EDUCATE LEGISLATORS REGARDING THE DYNAMICS, IMPACT, AND CHALLENGES OF HEALTH CARE POLICIES IMPACTING THE GREATER HOUSTON COMMUNITY, INCLUDING UNINSURED AND INDIGENT POPULATIONS. MEMORIAL HERMANN HAS RELATIONSHIPS WITH INDUSTRY ASSOCIATIONS WHICH MAY COMMUNICATE RESEARCH AND EDUCATIONAL MATERIALS. FORMS OF COMMUNICATION MAY INVOLVE DIRECT CONTACT, TELEPHONE CONVERSATIONS, AND WRITTEN CORRESPONDANCE. THE AMOUNT OF TIME AND MONEY INVOLVED WITH THESE ACTIVITIES IS INSUBSTANTIAL. MEMORIAL HERMANN HAS NOT INTERVENED IN ANY POLITICAL CAMPAIGN.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
► Attach to Form 990.
► Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018

Open to Public Inspection

Name of the organization
Memorial Hermann Health System

Employer identification number
74-1152597

Part I

Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.
Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?

☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

☐ Yes ☐ No

Part II

Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or education)

☐ Preservation of an historically important land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►

4 Number of states where property subject to conservation easement is located ►

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ►

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.
Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 ► \$

(ii) Assets included in Form 990, Part X ► \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenue included on Form 990, Part VIII, line 1 ► \$

b Assets included in Form 990, Part X ► \$

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat. No. 52283D

Schedule D (Form 990) 2018

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3

Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a

☐

Public exhibition

b

☐

Scholarly research

c

☐

Preservation for future generations

d

☐

Loan or exchange programs

e

☐

Other

4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . .

☐

Yes

☐

No

Part IV

Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐

Yes

☐

No

b

If "Yes," explain the arrangement in Part XIII and complete the following table:

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? . . .

☐

Yes

☐

No

b

If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

☐

Part V

Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a)Current year	(b)Prior year	(c)Two years back	(d)Three years back	(e)Four years back	
1a	Beginning of year balance	4,183,989	4,060,798	4,435,819	4,304,237	4,188,028
b	Contributions					
c	Net investment earnings, gains, and losses	594,317	123,191	129,452	143,216	128,001
d	Grants or scholarships					
e	Other expenditures for facilities and programs			504,473		
f	Administrative expenses				11,634	11,792
g	End of year balance	4,778,306	4,183,989	4,060,798	4,435,819	4,304,237

2

Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶ 100.000 %

c

Temporarily restricted endowment ▶

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i)

unrelated organizations

(ii)

related organizations

b

If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		No
3a(ii)	Yes	
3b	Yes	

4

Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI

Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		144,829,319		144,829,319
b Buildings		3,461,412,062	1,755,529,463	1,705,882,599
c Leasehold improvements		532,488,358	319,411,183	213,077,175
d Equipment		2,207,376,141	1,735,308,231	472,067,910
e Other		627,541,720	33,162,994	594,378,726
Total. Add lines 1a through 1e.(Column (d) must equal Form 990, Part X, column (B), line 10(c).) . . . ▶				3,130,235,729

Part VII

Investments—Other Securities. Complete if the organization answered "Yes" on Form 990, Part IV, line 11b.
See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____		
(A) FIXED INCOME	309,838,000	F
(B) EQUITY SECURITIES	344,819,547	F
(C) ALTERNATIVE INVESTMENTS	1,282,799,000	F
(D) CASH & CASH EQUIVALENTS	23,962,187	F
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶	1,961,418,734	

Part VIII

Investments—Program Related.
Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col.(B) line 13.) ▶		

Part IX

Other Assets. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) DUE FROM AFFILIATES, NET	1,035,044,309
(2) DEPOSITS	4,984,519
(3) PHYSICIAN GUARANTEE RECEIVABLE	5,818,881
(4) OTHER ASSETS	900,889
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.) ▶	1,046,748,598

Part X

Other Liabilities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f.
See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	0
CAPITALIZED LEASES	830,107,886
POB LEASE OBLIGATION	79,420,517
VARIABLE DEBT SWAP LIABILITY	82,741,252
L/T PENSION LIABILITY	85,803,410
L/T LINE OF CREDIT	46,500,000
L/T THIRD PARTY SETTLEMENTS	23,663,880
OTHER ACCRUED LIABILITIES	120,598,808
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col.(B) line 25.) ▶	1,268,835,753

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☒

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1 :			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)		5	

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5	

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
See Additional Data Table	

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 74-1152597
Name: Memorial Hermann Health System

Supplemental Information

Return Reference	Explanation
PART V, LINE 4	THE ENDOWMENT FUNDS OF MEMORIAL HERMANN HEALTH SYSTEM CONSIST OF PERMANENT ENDOWMENT FUNDS OBTAINED FROM DONOR INITIATIVES FOR CHARITABLE CONTRIBUTIONS THROUGH OUTRIGHT OR PLANNED GIFTS. THE PERMANENT FUNDS CONSIST OF DONATIONS AND INVESTMENT INCOME FOR WHICH THE DONOR'S STIPULATIONS RESTRICT THE FOUNDATION TO USING ONLY THE INCOME RESULTING FROM THE INVESTMENT OF THE DONATION ON A TOTAL RETURN BASIS. THE ASSETS OF THE PERMANENT FUNDS INCOME MAY ONLY BE USED TO SUPPORT THE CHARITABLE EXEMPT OPERATIONS, PROGRAMS AND PURPOSES OF MEMORIAL HERMANN HEALTH SYSTEM THROUGH THE PURCHASE OF SUPPLIES, EQUIPMENT, AND OTHER EXPENDITURES NECESSARY FOR THE PERFORMANCE OF THOSE OPERATIONS AND PROGRAMS. ASC 958 does not use the term "temporarily restricted net assets." Memorial Hermann has opted to report all net assets subject to donor-imposed restrictions on 2a, permanent endowment.

Supplemental Information

Return Reference	Explanation
PART X, LINE 2	AT JUNE 30, 2019 AND 2018, MEMORIAL HERMANN HEALTH SYSTEM MANAGEMENT HAS DETERMINED THAT T HERE ARE NO MATERIAL UNCERTAIN TAX POSITIONS THAT REQUIRE RECOGNITION IN THE ACCOMPANYING CONSOLIDATED BALANCE SHEETS.

SCHEDULE F (Form 990)	Statement of Activities Outside the United States ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16. ▶ Attach to Form 990. ▶ Go to www.irs.gov/Form990 for instructions and the latest information.	OMB No. 1545-0047
		2018
		Open to Public Inspection
Department of the Treasury Internal Revenue Service		
Name of the organization Memorial Hermann Health System		Employer identification number 74-1152597

Part I

General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

- 1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☐ Yes ☐ No
- 2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.
- 3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
See Add'l Data					
3a Sub-total					829,752,008
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					829,752,008

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)

- 2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ► _____
- 3 Enter total number of other organizations or entities ► _____

Part III	Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 16.
-----------------	---

Part III can be duplicated if additional space is needed.

[illegible]

Part IV Foreign Forms

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* ☒ Yes ☐ No
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A; don't file with Form 990)* ☐ Yes ☒ No
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)* ☒ Yes ☐ No
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)* . ☒ Yes ☐ No
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships (see Instructions for Form 8865)* ☒ Yes ☐ No
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713; don't file with Form 990).* ☐ Yes ☒ No

Part V **Supplemental Information**

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

990 Schedule F, Supplemental Information

Return Reference	Explanation
PART I, LINE 3	ACCRUAL METHOD

Additional Data

Software ID:
Software Version:
EIN: 74-1152597
Name: Memorial Hermann Health System

Form 990 Schedule F Part I - Activities Outside The United States

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
Central America and the Caribbean			Investments		593,191,953
Europe (Including Iceland and Greenland)			Investments		180,025,745

Form 990 Schedule F Part I - Activities Outside The United States					
(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
North America			Investments		27,765,924
East Asia and the Pacific			Investments		23,915,166

Form 990 Schedule F Part I - Activities Outside The United States					
(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
South America			Investments		1,732,058
Sub-Saharan Africa			Investments		1,508,351

Form 990 Schedule F Part I - Activities Outside The United States					
(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
South Asia			Investments		873,023
Middle East and North Africa			Investments		739,788

SCHEDULE H
(Form 990)

Department of the Treasury

Internal Revenue Service

Hospitals

► Complete if the organization answered "Yes" on Form 990, Part IV, question 20.
► Attach to Form 990.
► Go to www.irs.gov/Form990EZ for instructions and the latest information.

OMB No. 1545-0047

2018

Open to Public Inspection

Name of the organization
Memorial Hermann Health System

Employer identification number
74-1152597

Part I

Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No	
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year. a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ % b Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input checked="" type="checkbox"/> 400% <input type="checkbox"/> Other _____ % c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care. 4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"? 5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount? c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? 6a Did the organization prepare a community benefit report during the tax year? b If "Yes," did the organization make it available to the public? Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.	3a	Yes	
		3b	Yes	
		4	Yes	
		5a	Yes	
		5b	Yes	
		5c		No
		6a	Yes	
		6b	Yes	

7

Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			275,434,422		275,434,422	5.570 %
b Medicaid (from Worksheet 3, column a)			691,317,412	662,728,157	28,589,255	0.580 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			29,524,240	28,686,879	837,361	0.020 %
d Total Financial Assistance and Means-Tested Government Programs			996,276,074	691,415,036	304,861,038	6.170 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4).			122,194,336		122,194,336	2.470 %
f Health professions education (from Worksheet 5)			67,233,492	15,544,184	51,689,308	1.040 %
g Subsidized health services (from Worksheet 6)			240,772,472	212,821,769	27,950,703	0.570 %
h Research (from Worksheet 7)			12,950,477	6,832,294	6,118,183	0.120 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			13,053,352		13,053,352	0.260 %
j Total. Other Benefits			456,204,129	235,198,247	221,005,882	4.460 %
k Total. Add lines 7d and 7j			1,452,480,203	926,613,283	525,866,920	10.630 %

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total						

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	Yes	
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.	2	360,568,562	
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.	3		
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.			

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	5	1,471,834,645
6 Enter Medicare allowable costs of care relating to payments on line 5	6	1,947,238,646
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-475,404,001
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used:		
<input type="checkbox"/> Cost accounting system	<input checked="" type="checkbox"/> Cost to charge ratio	<input type="checkbox"/> Other

Section C. Collection Practices

9a Did the organization have a written debt collection policy during the tax year?	9a	Yes	
b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	Yes	

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Part V Facility Information**Section A. Hospital Facilities**

(list in order of size from largest to smallest—see instructions)

How many hospital facilities did the organization operate during the tax year?

15

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

	Other (describe)	ER-other	ER-24 hours	Research facility	Critical access hospital	Teaching hospital	Children's hospital	General medical & surgical	Licensed hospital	Facility reporting group
See Additional Data Table										

Part V Facility Information (continued)**Section B. Facility Policies and Practices**

(Complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

A

Name of hospital facility or letter of facility reporting group _____**Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A):** _____

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?	1	No
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C.	2	No
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12. If "Yes," indicate what the CHNA report describes (check all that apply):	3	Yes
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>19</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5	Yes
6 a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	6a	Yes
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	6b	Yes
7 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply):	7	Yes
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>MEMORIALHERMANN.ORG</u>		
b <input type="checkbox"/> Other website (list url): _____		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11.	8	Yes
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>19</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	10	Yes
a If "Yes" (list url): <u>MEMORIALHERMANN.ORG</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	10b	
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	12a	No
b If "Yes" on line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b	
c If "Yes" on line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____		

Part V

Facility Information (continued)

Financial Assistance Policy (FAP)

		A		
Name of hospital facility or letter of facility reporting group			Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:				
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP:	13	Yes	
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 200. _____ % and FPG family income limit for eligibility for discounted care of 400. _____ %			
b	<input type="checkbox"/> Income level other than FPG (describe in Section C)			
c	<input type="checkbox"/> Asset level			
d	<input checked="" type="checkbox"/> Medical indigency			
e	<input checked="" type="checkbox"/> Insurance status			
f	<input checked="" type="checkbox"/> Underinsurance discount			
g	<input type="checkbox"/> Residency			
h	<input type="checkbox"/> Other (describe in Section C)			
14	Explained the basis for calculating amounts charged to patients?	14	Yes	
15	Explained the method for applying for financial assistance? If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):	15	Yes	
a	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application			
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application			
c	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process			
d	<input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications			
e	<input type="checkbox"/> Other (describe in Section C)			
16	Was widely publicized within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply):	16	Yes	
a	<input checked="" type="checkbox"/> The FAP was widely available on a website (list url): MEMORIALHERMANN.ORG			
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): MEMORIALHERMANN.ORG			
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): MEMORIALHERMANN.ORG			
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)			
e	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)			
f	<input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)			
g	<input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention			
h	<input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP			
i	<input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by LEP populations			
j	<input type="checkbox"/> Other (describe in Section C)			

Part V Facility Information (continued)**Billing and Collections**

A

Name of hospital facility or letter of facility reporting group _____

	Yes	No
17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?	17 Yes	
18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
a <input type="checkbox"/> Reporting to credit agency(ies) b <input type="checkbox"/> Selling an individual's debt to another party c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP d <input type="checkbox"/> Actions that require a legal or judicial process e <input type="checkbox"/> Other similar actions (describe in Section C) f <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		
19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	19	No
If "Yes," check all actions in which the hospital facility or a third party engaged:		
a <input type="checkbox"/> Reporting to credit agency(ies) b <input type="checkbox"/> Selling an individual's debt to another party c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP d <input type="checkbox"/> Actions that require a legal or judicial process e <input type="checkbox"/> Other similar actions (describe in Section C)		
20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19. (check all that apply):		
a <input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs b <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process c <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications d <input checked="" type="checkbox"/> Made presumptive eligibility determinations e <input type="checkbox"/> Other (describe in Section C) f <input type="checkbox"/> None of these efforts were made		

Policy Relating to Emergency Medical Care

21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	21 Yes	
If "No," indicate why:		
a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions b <input type="checkbox"/> The hospital facility's policy was not in writing c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C) d <input type="checkbox"/> Other (describe in Section C)		

Part V Facility Information *(continued)*

Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)

A

Name of hospital facility or letter of facility reporting group _____

22 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.

- a** ☒ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period
- b** ☐ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- c** ☐ The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- d** ☐ The hospital facility used a prospective Medicare or Medicaid method

23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?

If "Yes," explain in Section C.

24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?

If "Yes," explain in Section C.

	Yes	No
22		
23		No
24		No

Part V **Facility Information** *(continued)***Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? **21**

Name and address	Type of Facility (describe)
1 See Additional Data Table	
2	
3	
4	
5	
6	
7	
8	
9	
10	

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART I, LINE 3C	PATIENTS WHO HAVE AN OUTSTANDING ACCOUNT BALANCE OWED ON THEIR HOSPITAL BILLS MAY BE ELIGIBLE FOR A DISCOUNT IF ALL OF THE FOLLOWING CRITERIA ARE MET: 1) BALANCE EXCEEDS TEN PERCENT OF THE PERSON'S ANNUAL GROSS FAMILY INCOME; 2) THEY ARE UNABLE TO PAY ALL OR A PORTION OF THE REMAINING BILL BALANCE; AND 3) THE BILL BALANCE IS AT LEAST \$5,000. UNDER THESE CIRCUMSTANCES, THE PATIENT OR GUARANTOR IS EXPECTED TO COOPERATE WITH THE FINANCIAL ASSISTANCE PROCESS AND SUPPLY PERSONAL OR FINANCIAL INFORMATION AND DOCUMENTATION RELEVANT TO MAKING A DETERMINATION OF ELIGIBILITY. IF APPROVED, THE PATIENT WILL BE RESPONSIBLE FOR PAYING NO MORE THAN TEN PERCENT OF THEIR ANNUAL GROSS FAMILY INCOME TOWARDS THE REMAINING OUTSTANDING ACCOUNT BALANCES OR AGB DISCOUNT WILL BE APPLIED, WHICHEVER IS LESS AND MOST BENEFICIAL FOR THE PATIENT'S FINANCIAL SITUATION.

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART I, LINE 6A	MEMORIAL HERMANN HEALTH SYSTEM PREPARES AND FILES AN ANNUAL REPORT OF COMMUNITY BENEFIT PLAN WITH THE TEXAS DEPARTMENT OF STATE HEALTH SERVICES. THIS REPORT IS MADE AVAILABLE THROUGH THE ORGANIZATION'S WEBPAGE AT HTTPS://COMMUNITYBENEFIT.MEMORIALHERMANN.ORG/ABOUT-US/REPORT-TO-THE-COMMUNITY/

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART I, LINE 7	A COST-TO-CHARGE RATIO (FROM WORKSHEET 2) IS USED TO CALCULATE THE AMOUNTS ON LINES 7A THROUGH 7C. THE AMOUNTS FOR LINES 7E THROUGH 7I COME FROM THE BOOKS AND RECORDS OF SPECIFIC SEGMENTS OF THE ORGANIZATION AND ARE NOT BASED ON A COST-TO-CHARGE RATIO.

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART I, LINE 7, COLUMN (F)	THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT REMOVED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN COLUMN (F) TOTALED \$0.

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART III, LINE 2	BAD DEBT EXPENSE IS DETERMINED BASED ON GAAP AND IS EXPLAINED UNDER SIGNIFICANT ACCOUNTING POLICIES WITHIN SECTION NET PATIENT SERVICE REVENUE AND PATIENT ACCOUNTS RECEIVABLE IN THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS.

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART III, LINE 4	<p>FOOTNOTES RELATED TO ACCOUNTS RECEIVABLE AND ALLOWANCE FOR DOUBTFUL ACCOUNTS CAN BE LOCATED ON PAGES 8 THROUGH 10 ON MEMORIAL HERMANN HEALTH SYSTEM'S FISCAL YEAR ENDING 2019 CONSOLIDATED AUDITED FINANCIAL STATEMENTS. MEMORIAL HERMANN ENTERED ZERO ON SCHEDULE H, PART III, LINE 3. FROM PRIOR EXPERIENCE, THE ORGANIZATION BELIEVES A PORTION OF BAD DEBT EXPENSE MAY BE ATTRIBUTABLE TO PATIENTS WHOM WOULD OTHERWISE QUALIFY FOR FINANCIAL ASSISTANCE. THE ORGANIZATION ESTIMATES THIS COULD RANGE FROM 0-5 PERCENT. MEMORIAL HERMANN MAKES EFFORTS TO EDUCATE PATIENTS ABOUT ITS FINANCIAL ASSISTANCE PROGRAM. REGARDLESS, PATIENTS MAY CHOOSE NOT TO APPLY FOR FINANCIAL ASSISTANCE OR PROVIDE COMPLETE APPLICATIONS. SEE PART VI SUPPLEMENTAL INFORMATION LINE 3C NARRATIVE FOR MORE INFORMATION REGARDING MEMORIAL HERMANN'S EFFORTS TO INFORM AND EDUCATE PATIENTS AND PERSONS WHO MAY BE BILLED FOR PATIENT CARE ABOUT THEIR ELIGIBILITY FOR ASSISTANCE UNDER FEDERAL, STATE, OR LOCAL GOVERNMENT PROGRAMS OR UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY.</p>

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART III, LINE 8	<p>REASONS WHY THE MEDICARE SHORTFALL REPORTED ON LINE 7, IF ANY, SHOULD BE TREATED AS A COMMUNITY BENEFIT INCLUDE: ABSENT THE MEDICARE PROGRAM, MANY OF THE INDIVIDUALS WOULD LIKELY QUALIFY FOR FINANCIAL ASSISTANCE OR OTHER NEEDS-BASED GOVERNMENT PROGRAMS; AS PAYMENTS TO TREAT MEDICARE INDIVIDUALS ARE BELOW COST OF CARE, THE BURDENS OF GOVERNMENT ARE RELIEVED RELATIVE TO THESE PATIENTS, MEMORIAL HERMANN HEALTH SYSTEM PROVIDES CARE TO MEDICARE PATIENTS REGARDLESS OF ANY MEDICARE SHORTFALL; THE REAL POSSIBILITY THAT CONTINUED REDUCTIONS IN REIMBURSEMENT MAY CREATE FURTHER DIFFICULTIES IN ACCESS TO CARE FOR MEDICARE PATIENTS; FINANCIAL RESOURCES UTILIZED TO COVER ANY MEDICARE SHORTFALL IS NO LONGER AVAILABLE TO COVER FINANCIAL ASSISTANCE AND ANY OTHER COMMUNITY BENEFIT NEEDS; IRS REVENUE RULING 69-545 PROVIDES, IN PART, THAT HOSPITALS SERVING PATIENTS WITH GOVERNMENTAL HEALTH BENEFITS, INCLUDING AS AN EXAMPLE MEDICARE, IS AN INDICATION THAT THE HOSPITAL OPERATES FOR THE PROMOTION OF HEALTH IN THE COMMUNITY; TEXAS NONPROFIT HOSPITALS MUST PROVIDE A MINIMUM LEVEL OF COMMUNITY BENEFIT IN ORDER TO OBTAIN EXEMPTION FROM STATE AND LOCAL TAXES. ACCORDING TO THE CURRENT TEXAS HEALTH AND SAFETY CODE, THE UNREIMBURSED COST OF MEDICARE IS CONSIDERED TO BE A COMMUNITY BENEFIT IN DETERMINING THESE STATE STATUTORY REQUIREMENTS AS IT HELPS RELIEVE A GOVERNMENTAL BURDEN OF PROVIDING THIS CARE THAT WOULD OTHERWISE BE PROVIDED THROUGH THE COUNTY HOSPITAL SYSTEM IN TEXAS. THE AMOUNT REPORTED IN PART III, SECTION B, ON LINE 7 WAS CALCULATED IN ACCORDANCE WITH THE SCHEDULE H INSTRUCTIONS UTILIZING THE ORGANIZATION'S ALLOWABLE COST REPORTED IN THE MEDICARE COST REPORTED BASED ON A COST TO CHARGE RATIO.</p>

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART III, LINE 9B	MEMORIAL HERMANN HEALTH SYSTEM'S BILLING AND COLLECTION POLICY PROHIBITS ANY COLLECTION EFFORTS FOR THE PORTION OF A PATIENT'S ACCOUNT BALANCE THAT QUALIFIES FOR ASSISTANCE UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY. WITH RESPECT TO ANY REMAINING BALANCE DUE, IF ANY, THE BILLING AND COLLECTION POLICY CONTAINS ACTIONS WHICH MAY BE TAKEN IN THE EVENT OF NONPAYMENT, AND ARE APPLIED EQUALLY TO ALL PATIENT TYPES.

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART VI, LINE 2	<p>IMPROVING THE HEALTH OF A COMMUNITY IS ESSENTIAL TO ENHANCING THE QUALITY OF LIFE FOR RESIDENTS IN THE REGION AND SUPPORTING FUTURE SOCIAL AND ECONOMIC WELL-BEING. IN 2013, IN 2016, AND MOST RECENTLY IN 2019 MEMORIAL HERMANN HEALTH SYSTEM ENGAGED IN A COMMUNITY HEALTH PLANNING PROCESS THAT WAS TWO-FOLD: (1) A COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) TO IDENTIFY THE HEALTH-RELATED NEEDS AND STRENGTHS OF THE COMMUNITY AND (2) A STRATEGIC IMPLEMENTATION PLAN (SIP) TO IDENTIFY MAJOR HEALTH PRIORITIES, DEVELOP GOALS, AND SELECT STRATEGIES AND IDENTIFY PARTNERS TO ADDRESS THESE PRIORITY ISSUES ACROSS THE COMMUNITY. THE CHNA WAS GUIDED BY A PARTICIPATORY, COLLABORATIVE APPROACH, WHICH EXAMINED HEALTH IN ITS BROADEST SENSE. THIS PROCESS INCLUDED INTEGRATING EXISTING SECONDARY DATA ON SOCIAL, ECONOMIC, AND HEALTH ISSUES IN THE REGION WITH QUALITATIVE INFORMATION FROM A COMMUNITY SURVEY WITH COMMUNITY RESIDENTS AND SERVICE PROVIDERS AND INTERVIEWS WITH COMMUNITY STAKEHOLDERS. THE CHNAS WERE CONDUCTED IN ACCORDANCE WITH STATE AND FEDERAL GUIDELINES INCLUDING IRC SECTION 501(R) AND THE TEXAS HEALTH AND SAFETY CODE SECTION 311.</p>

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART VI, LINE 3	<p>MEMORIAL HERMANN HEALTH SYSTEM IS COMMITTED TO MAKING HEALTHIER COMMUNITIES, NOW AND FOR GENERATIONS TO COME. PATIENTS WHO QUALIFY FOR FINANCIAL ASSISTANCE THROUGH MEMORIAL HERMANN'S FINANCIAL ASSISTANCE PROGRAM MAY BE NOTIFIED IN THE FOLLOWING WAYS: PATIENT CONSENT-THE HEALTH CARE CONSENT THAT IS SIGNED UPON REGISTRATION FOR HEALTHCARE SERVICES INCLUDES A STATEMENT THAT IF CHARITY SERVICES ARE REQUIRED, ELIGIBILITY DETERMINATION SHOULD BE REQUESTED UPON ADMISSION TO THE HOSPITAL OR UPON RECEIPT OF ITEMIZED BILL OR STATEMENT; FINANCIAL COUNSELING: MEMORIAL HERMANN PATIENTS ARE ENCOURAGED TO SEEK INFORMATION FROM THEIR HOSPITAL'S FINANCIAL COUNSELOR IF THEY ANTICIPATE DIFFICULTY PAYING THEIR PORTION OF THE HOSPITAL BILL. OUR FINANCIAL COUNSELORS WILL MAKE EVERY EFFORT TO ASSIST PATIENTS WHO ARE UNINSURED, UNDERINSURED, OR FACE OTHER FINANCIAL CHALLENGES ASSOCIATED WITH PAYING FOR THE HEALTH CARE SERVICES WE PROVIDE. FINANCIAL COUNSELORS MAY SCREEN PATIENTS FOR ELIGIBILITY FOR A VARIETY OF GOVERNMENT FUNDED PROGRAMS, ASSIST WITH A WORKER'S COMPENSATION OR LIABILITY CLAIM, SET UP AN EXTENDED TIME PAYMENT PLAN, OR HELP PATIENTS APPLY FOR FINANCIAL ASSISTANCE; PLAIN LANGUAGE SUMMARY AND APPLICATION-A PAPER COPY OF THE PLAIN LANGUAGE SUMMARY OF MEMORIAL HERMANN'S FAP AND A PAPER COPY OF THE FINANCIAL ASSISTANCE APPLICATION WILL BE MADE AVAILABLE TO ALL PATIENTS AT THE EARLIEST PRACTICAL TIME OF SERVICE. MEMORIAL HERMANN WILL HAVE FREE PAPER COPIES OF THESE DOCUMENTS AVAILABLE UPON REQUEST IN THE EMERGENCY DEPARTMENT AND REGISTRATION AREAS. FREE PAPER COPIES ARE ALSO AVAILABLE BY MAIL OR BY CALLING 713-338-5502 OR 1-800-526-2121, OPTION 5; TRANSLATED COPIES AVAILABLE: MEMORIAL HERMANN TRANSLATES ITS FAP, PLAIN LANGUAGE SUMMARY, FINANCIAL ASSISTANCE APPLICATION, AND BILLING AND COLLECTIONS POLICY FOR LIMITED ENGLISH PROFICIENT INDIVIDUALS REPRESENTING THE LESSER OF FIVE PERCENT OR 1,000 INDIVIDUALS OF THE COMMUNITY SERVED BY ITS HOSPITAL FACILITIES. MEMORIAL HERMANN MAKES FREE COPIES OF THESE DOCUMENTS AVAILABLE ON THE MEMORIAL HERMANN WEBSITE AND UPON REQUEST IN THE EMERGENCY DEPARTMENT AND HOSPITAL REGISTRATION AREAS. FREE PAPER COPIES ARE ALSO AVAILABLE BY MAIL BY CALLING 713-338-5502 OR 1-800-526-2121, OPTION 5; SIGNAGE- ALL FINANCIAL ASSISTANCE SIGNAGE WILL BE CLEARLY AND CONSPICUOUSLY POSTED IN LOCATIONS THAT ARE VISIBLE TO THE PUBLIC, INCLUDING, BUT NOT LIMITED TO, MEMORIAL HERMANN EMERGENCY DEPARTMENT AND PATIENT REGISTRATION AREAS. SIGNAGE WILL INDICATE THAT FINANCIAL ASSISTANCE IS AVAILABLE AND THE PHONE NUMBER TO REACH A FINANCIAL COUNSELOR FOR MORE INFORMATION; WEBSITE-MEMORIAL HERMANN'S POST NOTICE IN A PROMINENT PLACE ON ITS WEBSITE THAT FINANCIAL ASSISTANCE IS AVAILABLE, WITH AN EXPLANATION OF THE FINANCIAL ASSISTANCE APPLICATION PROCESS. MEMORIAL HERMANN POSTS ITS FAP WITH A LIST OF PROVIDERS WHO ARE COVERED AND NOT COVERED UNDER THE FAP, PLAIN LANGUAGE SUMMARY, FINANCIAL ASSISTANCE APPLICATION, AND THE BILLING AND COLLECTIONS POLICY ON MEMORIAL HERMANN'S WEBSITE; PATIENT BILLS AND STATEMENTS- PATIENT STATEMENTS WILL INCLUDE A REQUEST THAT THE PATIENT IS RESPONSIBLE TO INFORM MEMORIAL HERMANN OF ANY AVAILABLE HEALTH INSURANCE COVERAGE, AND WILL INCLUDE A NOTICE OF THE MEMORIAL HERMANN FAP, A TELEPHONE NUMBER TO REQUEST FINANCIAL ASSISTANCE, AND THE WEBSITE ADDRESS WHERE FINANCIAL ASSISTANCE DOCUMENTS CAN BE OBTAINED; MAIL OR FAX: PATIENTS MAY MAIL OR FAX A WRITTEN REQUEST FOR FREE COPIES OF THESE DOCUMENTS TO THE ADDRESS BELOW AND INCLUDING THE INDIVIDUAL'S FULL NAME AND RETURN MAILING ADDRESS TO WHICH THEY WANT MEMORIAL HERMANN TO SEND THE COPIES. MEMORIAL HERMANN HEALTH SYSTEM, ATTN: FINANCIAL ASSISTANCE, 909 FROSTWOOD, SUITE 3:100 HOUSTON, TEXAS 77024, FAX: 713-338-6500</p>

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART VI, LINE 4	<p>MEMORIAL HERMANN SERVES GREATER HOUSTON, A MULTI-COUNTY AREA ALONG THE GULF COAST IN SOUTHEAST TEXAS WHERE SEVERAL COUNTIES ARE WITHOUT HOSPITAL DISTRICT SERVICES. AN ESTIMATED 7.1 MILLION PEOPLE IN THE HOUSTON- THE WOODLANDS- SUGAR LAND METROPOLITAN STATISTICAL AREA (MSA), THE 5TH LARGEST MSA IN THE UNITED STATES, AND ONE OF THE FASTEST GROWING. THIS GROWTH HAS STRAINED HEALTH AND SOCIAL INFRASTRUCTURE, WITH SOME COMMUNITIES LACKING EASY ACCESS TO HEALTHY FOODS, SAFE ROADS, AFFORDABLE HOUSING AND ADEQUATE SIDEWALKS. A SOURCE OF STRENGTH IN A GLOBAL ECONOMY, HOUSTON PRIZES ITS RACIAL AND ETHNIC DIVERSITY. ACCORDING TO THE U.S. CENSUS, HOUSTON'S HARRIS COUNTY, THE METROPOLITAN AREA'S DOMINANT COUNTY, IS 43.3 PERCENT HISPANIC, 29.1 PERCENT WHITE, 19.9 PERCENT BLACK OR AFRICAN AMERICAN, 7.4 PERCENT ASIAN/PACIFIC ISLANDER AND .3 PERCENT OTHER. ROUGHLY 49 PERCENT OF HOUSTON RESIDENTS SPEAK A LANGUAGE OTHER THAN ENGLISH AT HOME. 27 PERCENT OF THE TOTAL POPULATION ARE MINORS AND 10 PERCENT ARE OVER 65 YEARS OF AGE, RESULTING IN A POTENTIAL WORKFORCE (18-64 YEARS) OF APPROXIMATELY 4.3 MILLION INDIVIDUALS. DESPITE THIS POSSIBILITY FOR ECONOMIC SUCCESS, ONLY 30 PERCENT OF THE 25 AND OLDER YEARS OF AGE POPULATION HAVE A COLLEGE DEGREE OR HIGHER, READYING THEM FOR HOUSTON'S GROWING BUSINESS AND INDUSTRY OPPORTUNITIES. THERE ARE POCKETS OF POVERTY THROUGHOUT THE AREA AND SOME RESIDENTS FACE TOUGH ECONOMIC CHALLENGES WHICH CAN AFFECT THEIR HEALTH AND THE HEALTH OF THEIR FAMILY. 16 PERCENT OF ALL RESIDENTS FALL AT OR BELOW THE 2018 FEDERAL POVERTY THRESHOLD. PROPELLED BY HOUSTON'S FAST GROWING IMMIGRANT POPULATION, YOUNG ADULT POPULATION, AND HIGH PERCENTAGE OF PART-TIME WORKERS, 20.7 PERCENT OF HOUSTONIANS LACK HEALTH INSURANCE OF ANY KIND. NEARLY ONE IN FOUR RESIDENTS ARE FOREIGN BORN, CONTRIBUTING TO A WIDE VARIETY OF CULTURES AND ETHNICITIES PRESENT IN THE REGION. IMMIGRATION IS A MAJOR PART OF THE IDENTITY OF THE CITY OF HOUSTON AND THE GREATER HOUSTON METROPOLITAN AREA. BETWEEN 2000 AND 2017 HOUSTON'S IMMIGRANT POPULATION GREW BY 23 PERCENT, HOWEVER, IN 2017, IMMIGRANT GROWTH IN THE SURROUNDING COUNTIES SURPASSED HARRIS COUNTY. ADDITIONALLY, HARRIS COUNTY HAS ONE OF THE LARGEST REFUGEE POPULATIONS IN THE U.S. 16.6 PERCENT OF THE TOTAL HARRIS COUNTY POPULATION IS FOOD INSECURE. COUPLED WITH THIS IS THE RISING RATE OF OBESITY AS THE SINGLE BIGGEST THREAT TO THE GREATER HOUSTON AREA-66.7 PERCENT OF HOUSTONIANS ARE OVERWEIGHT. OBESITY AND CONCERNS RELATED TO MAINTAINING A HEALTHY LIFESTYLE ARE CHALLENGES WITH RESIDENTS FACING BARRIERS, RANGING FROM A LACK OF TIME TO CULTURAL ISSUES INVOLVING CULTURAL NORMS TO STRUCTURAL CHALLENGES SUCH AS LIVING IN A FOOD DESERT OR HAVING LIMITED ACCESS TO SIDEWALKS, RECREATIONAL FACILITIES, OR AFFORDABLE FRUITS AND VEGETABLES. HEALTH EDUCATION, PREVENTION, AND INCREASED ACCESS TO HEALTHCARE ARE VITAL TO IMPROVING THE OVERALL HEALTH OF RESIDENTS WHOSE LEADING CAUSES OF HEALTH ISSUES ARE MENTAL HEALTH PROBLEMS, DIABETES, OBESITY (ADULT), OBESITY (CHILDREN), SUBSTANCE ABUSE, HEART DISEASE/STROKE, CANCER AND HIGH BLOOD PRESSURE. THE MOST PREVALENT CHRONIC DISEASES ARE DIABETES, OBESITY, HIGH BLOOD PRESSURE, CANCER, HEART FAILURE AND ASTHMA. WITH 13 PERCENT OF THE HOUSTON AREA POPULATION SELF-REPORTING 14 OR MORE POOR MENTAL HEALTH DAYS, THE NEED FOR INCREASED ACCESS TO BEHAVIORAL HEALTH CARE IS SIGNIFICANT.</p>

Form and Line Reference	Explanation
PART VI, LINE 5	<p>MEMORIAL HERMANN HEALTH SYSTEM WORKS WITH OTHER HEALTHCARE PROVIDERS, GOVERNMENT AGENCIES, BUSINESS LEADERS AND COMMUNITY STAKEHOLDERS TO ENSURE THAT ALL RESIDENTS OF THE GREATER HOUSTON AREA HAVE ACCESS TO THE CARE AND SERVICES THEY NEED TO IMPROVE THEIR QUALITY OF LIFE AND THE OVERALL HEALTH OF THE COMMUNITY. PROGRAMS ARE DESIGNED TO PROVIDE CARE FOR UNINSURED AND UNDERINSURED CHILDREN; TO REACH THOSE HOUSTONIANS NEEDING AFFORDABLE CARE; TO SUPPORT THE EXISTING INFRASTRUCTURE OF NON-PROFIT CLINICS AND FQHCs; TO EDUCATE INDIVIDUALS AND THEIR FAMILIES ON HOW TO ACCESS THE HEALTHCARE AVAILABLE TO THEM; AND TO PROMOTE A CULTURE OF HEALTH THROUGH HEALTH INITIATIVES DESIGNED TO REDUCE OBESITY AND INCREASE ACCESS TO HEALTHY FOOD, INCREASE PHYSICAL ACTIVITY, IMPROVE HEALTH AND REDUCE CHRONIC CONDITIONS. HEALTH EDUCATION, HEALTHY FOODS, SAFE PLACES TO EXERCISE, AND ACCESS TO HEALTH AND BEHAVIORAL HEALTH SERVICES ARE VITAL TO IMPROVING THE OVERALL HEALTH OF RESIDENTS SINCE LACK OF THESE EFFORTS CONTRIBUTES TO THE ESCALATING CHRONIC DISEASE EPIDEMIC. THUS TO SUPPORT AND ENGAGE OUR COMMUNITY OUR FOUNDATION FOR OUR WORK RESTS ON FOUR PILLARS--FOCUSING ON IMPROVING ACCESS THROUGH PROGRAMMING, EDUCATION AND SOCIAL SERVICE SUPPORT; PROMOTING THE IMPORTANCE OF A HEALTHY DIET THROUGH SCREENING AND CREATING ACCESS TO NUTRITIOUS FOODS; FOSTERING IMPROVED HEALTH THROUGH EXERCISE WITH CULTURALLY APPROPRIATE ACTIVITIES; AND, ADDRESSING EMOTIONAL WELL-BEING THROUGH INNOVATIVE ACCESS POINTS. COMMITTED TO MAKING THE GREATER HOUSTON AREA A HEALTHIER AND MORE VITAL PLACE TO LIVE, AND SPANNING THESE FOUR INTERCONNECTING PILLARS, MEMORIAL HERMANN SUPPORTS THE FOLLOWING INITIATIVES: TEN MEMORIAL HERMANN HEALTH CENTERS FOR SCHOOLS, ESTABLISHED IN 1996, OFFER ACCESS TO PRIMARY MEDICAL AND MENTAL HEALTH SERVICES TO UNDERSERVED CHILDREN AT 82 SCHOOLS IN THE GREATER HOUSTON AREA. THE MEMORIAL HERMANN MOBILE DENTAL CLINIC, ESTABLISHED IN 2000, HAS THREE DENTAL VANS AND PROVIDES ACCESS TO PREVENTATIVE AND RESTORATIVE DENTAL SERVICES AT NINE HEALTH CENTERS FOR SCHOOLS' SITES AND IS ACCESSIBLE AS A DENTAL HOME FOR UNINSURED STUDENTS. SERVING THE COMMUNITY SINCE 2008, THE MEMORIAL HERMANN ER NAVIGATION PROGRAM PLACES CERTIFIED COMMUNITY HEALTH WORKERS WHO HAVE THE TRAINING, CULTURAL UNDERSTANDING AND LINGUISTIC CAPACITY TO HELP THE UNINSURED, WHO DISPROPORTIONATELY USE EMERGENCY ROOMS FOR HEALTHCARE, 'NAVIGATE' THE COMPLEX HEALTH SYSTEM, OBTAIN A MEDICAL HOME, SCHEDULE APPOINTMENTS, SECURE NEEDED SOCIAL SERVICES AND COPE WITH FUTURE HEALTHCARE CONCERNS. IN 2017, ADDED COMPONENTS WERE HEALTH LITERACY OUTREACH, HEALTH CARE AND DISEASE PREVENTION WORKSHOPS AND HEALTH PROMOTION. MEMORIAL HERMANN NEIGHBORHOOD HEALTH CENTERS ARE STRATEGICALLY LOCATED NEAR TWO OF HOUSTON'S BUSIEST ERS, ARE OPEN EXTENDED HOURS AND SERVE AS A MEDICAL HOME TO UNINSURED AND UNDERINSURED WORKING FAMILIES. THE GOAL IS TO PROVIDE THIS POPULATION WITH THE PROVISION OF PREVENTIVE, ACUTE, AND CHRONIC CARE. MEMORIAL HERMANN MEDICAL MISSIONS (MHMM) EXISTS TO FINANCE, FACILITATE, AND ENCOURAGE PHYSICIAN LED TEAMS INTO THIRD WORLD COUNTRIES. MHMM PROVIDES SUPPLIES, PHARMACEUTICALS, AND SCHOLARSHIPS FOR NON-PHYSICIAN TEAM MEMBERS. MHMM FACILITATES BY LINKING PHYSICIANS AND SUPPORT TEAMS TOGETHER; ADVISING ON PASSPORTS, VACCINATIONS, AIR TRAVEL; AND COORDINATING NECESSARY SUPPLIES. MHMM ENCOURAGES BY SHARING THE KNOWLEDGE OF PAST EXPERIENCES; COMMUNICATING WHAT A MEDICAL MISSION MEANS TO A POVERTY OR DISASTER STRICKEN AREA; AND COACHING ON SAFETY PRACTICES SO THAT PARTICIPANTS FEEL COMFORTABLE IN THEIR NEW SURROUNDINGS. IN 2014 THE PSYCHIATRIC RESPONSE CASE MANAGEMENT PROGRAM WAS INTRODUCED TO ADDRESS THE GAP IN THE MENTAL AND BEHAVIORAL CARE SERVICES BY CONNECTING PATIENTS TO OUTPATIENT TREATMENT AND OTHER COMMUNITY RESOURCES. THE INITIATIVE WAS DESIGNED TO PROVIDE INTENSIVE, COMMUNITY-BASED CASE MANAGEMENT SERVICES FOR THOSE WITH BEHAVIORAL HEALTH DIAGNOSIS AND A HISTORY OF MULTIPLE HOSPITALIZATIONS. UNDER THIS PROGRAM, PATIENTS ARE ACTIVELY ENGAGED IN THE DEVELOPMENT OF THEIR OWN MENTAL HEALTH CARE PLAN AND LONG-TERM RECOVERY GOALS WITH THE ULTIMATE OBJECTIVE OF IMPROVED PATIENT WELLNESS AND GOAL ACHIEVEMENT. THE CASE MANAGEMENT PROGRAM WORKS CLOSELY WITH MEMORIAL HERMANN'S PSYCHIATRIC RESPONSE TEAM, IN WHICH MENTAL HEALTH CLINICIANS EVALUATE, STABILIZE, ARRANGE FOR TRANSFERS AND DEVELOP AFTERCARE PLANS FOR PATIENTS IN EMERGENCY ROOM AND MEDICAL INPATIENT SETTINGS. THE PSYCHIATRIC RESPONSE TEAM REFERS PATIENTS TO MORE THAN 200 MENTAL HEALTH COMMUNITY TREATMENT PROVIDERS WITHIN HARIS, FORT BEND AND MONTGOMERY COUNTIES. THIS LARGE REFERRAL NETWORK ALLOWS THE PROGRAM TO LEVERAGE THE PATIENTS WITH INSURANCE TO OBTAIN CARE FOR THOSE WITHOUT. THIS NETWORK ALSO ELIMINATES A SINGLE FACILITY FROM COMPETING WITH ALL LOCAL EMERGENCY CENTERS FOR LIMITED PSYCHIATRIC RESOURCES. THE NURSE HEALTH LINE WAS ESTABLISHED IN 2014 AS A FREE TELEPHONE SERVICE FOR GREATER HOUSTON RESIDENTS WHO ARE EXPERI</p>

Form and Line Reference	Explanation
PART VI, LINE 5	<p>ENCING A HEALTH CONCERN AND ARE UNSURE OF WHAT TO DO OR WHERE TO GO. EXPERIENCED, BILINGUA L NURSES USE THEIR TRAINING AND EXPERTISE TO CONDUCT ASSESSMENTS BY PHONE, AND ARE AVAILAB LE TO ANSWER CALLS 24 HOURS A DAY, SEVEN DAYS A WEEK FOR ANY RESIDENT LIVING IN HARRIS OR SURROUNDING COUNTIES. THEY HELP CALLERS DECIDE WHEN AND WHERE TO GO FOR MEDICAL CARE AND A SSIST WITH SOCIAL SERVICE REFERRALS AND TRANSPORTATION NEEDS. CALLERS RECEIVE HEALTHCARE A DVICE AND EDUCATION USING NATIONALLY RECOGNIZED STANDARDIZED PROTOCOLS. MEMORIAL HERMANN B EGAN SCREENING PATIENTS FOR FOOD INSECURITY IN 2015 IN A FEW SELECT CLINICS AND HAVE SINCE EXPANDED THROUGHOUT THE SYSTEM. PATIENTS IDENTIFIED AS FOOD INSECURE RECEIVE SUPPORT IN A PPLYING FOR BENEFITS, A REFERRAL TO THE HOUSTON FOOD BANK, AND GUIDANCE ON QUESTIONS TO AS K FOR AN APPROPRIATE FOOD PANTRY REFERRAL. SINCE ROLLING OUT THE QUESTIONS WE HAVE TEAMED UP WITH SEVERAL AGENCIES TO TAKE PROGRAMMING SUPPORT TO A NEXT LEVEL. IN A PILOT PROGRAM, MEALS THAT HEAL, DISCHARGED PATIENTS IDENTIFIED IN NEED OF PREPARED, HOT MEALS TO SUPPORT A SUCCESSFUL HEALING PROCESS AT HOME ARE DELIVERED NUTRITIOUS MEALS FOR AS LONG AS IS NECE SSARY. THE TRAJECTORY OF THIS INITIATIVE LEADS TO EXERCISE, AND IMPLEMENTATION OF THE EVID ENCED-BASED EXERCISE IS MEDICINE PROGRAM WHICH INCORPORATES EXERCISE AS A VITAL SIGN INTO PHYSICIAN OFFICES, EXERCISE PRESCRIPTIONS, AND ACTIVATION OF PARKS. TOGETHER THESE PROGRAM S IMPROVE THE HEALTH AND WELL-BEING OF OUR COMMUNITY THROUGH COMBATING BEHAVIORS LEADING T O CHRONIC DISEASE. OUR WORK INCREASINGLY ENCOMPASSES WORKING WITHIN COLLABORATIVES AND GRA NTS. THROUGH CMS' ACCOUNTABLE HEALTH COMMUNITIES GRANT WE ARE, ALONG WITH THE SCHOOL OF PU BLIC HEALTH AND TWO OTHER HEALTH SYSTEMS, SCREENING AND REFERRING FOR SOCIAL DETERMINANTS OF HEALTH TO DETERMINE THE IMPACT THAT ADDRESSING SOCIAL DETERMINANTS OF HEALTH HAS ON HEA LTH STATUS. THROUGH PASADENA VIBRANT COMMUNITY COLLABORATIVE AGENCY GOALS REVOLVE AROUND T HE ENGAGEMENT IN ONGOING DIALOGUES ABOUT AND ACTIVITIES AROUND THE IMPORTANCE OF HEALTHY B EHAVIORS. THROUGH HEALTHY WOMEN HOUSTON WE ARE COLLABORATING TO ADDRESS MATERNAL MORTALITY AND MORBIDITY IN SPECIFIC, HIGH RISK COMMUNITIES INTEGRATING HEALTH, BEHAVIORAL, AND SOCI AL SUPPORTS FOR PREGNANT AND POST-PARTUM WOMEN. A NEW MODEL FOR WORKING WITH PARTNERS IS O UR MEMORIAL HERMANN COMMUNITY RESOURCE CENTER AT SOUTHWEST HOSPITAL. THE CENTER IS DESIGNE D TO OFFER THE ER DEPARTMENT, ONSITE PHYSICIANS AND CARE MANAGERS, AS WELL AS COMMUNITY ME MBERS WITH: ACCESSING COMMUNITY RESOURCES, SOME OF WHICH WILL PROVIDE SCHEDULED SERVICES O N SITE; COMPLETING ELIGIBILITY APPLICATIONS; AND, RECEIVING INFORMATION AND EDUCATION ON P UBLIC HEALTH AND SOCIAL SERVICES. TO DATE, SPECIFIC SERVICES INCLUDE: ASSISTANCE ENROLLING IN PUBLIC HEALTH INSURANCE; APPLICATIONS FOR PUBLIC SOCIAL SERVICES (SNAP, WIC, ETC.); AN D REFERRALS TO THE ONSITE PARTNERS THAT HAVE BEGUN TO PROVIDE WEEKLY SCHEDULES AT THE CENT ER (HOUSTON FOOD BANK, AREA FEDERALLY QUALIFIED HEALTH CENTERS, MEMORIAL HERMANN BEHAVIORA L HEALTH AND CHRONIC DISEASE PRESCRIPTION ASSISTANCE). AS WE WORK WITH OUR CLIENTS AND COM MUNITY, WE ARE CONTINUALLY ASSESSING THE NEED AND OPPORTUNITIES FOR NEW PARTNERS. THE GOAL IS FOR COLLABORATION WITH PATIENTS, THE COMMUNITY, AND SERVICE PROVIDERS TO RESULT IN UPS TREAM FACTORS AND EFFORTS. A SECOND EFFORT TO BRIDGE THE COMMUNITY'S NEEDS IS ONEBRIDGE HE ALTH NETWORK, UNDER IMPLEMENTATION TO ADDRESS THE NEED FOR SPECIALTY CARE FOR THE UNINSURE D POPULATION AT 150% OF POVERTY. THE NETWORK WILL ALLOW SPECIALISTS TO PROVIDE CARE TO UNI NSURED PATIENTS IN A CONTROLLED ENVIRONMENT BY AGREEING TO SEE 'X' PATIENTS PER YEAR. THE ROLE OF THE PROVIDER HEALTH NETWORK IS TO VET THE PATIENTS, ENSURE PRE-SPECIALTY VISIT TES TING IS COMPLETED, PROVIDE NAVIGATION SUPPORT FOR OTHER QUALITY OF LIFE NEEDS, AND ENSURE SEAMLESS TRANSITION FROM REFERRING PRIMARY CARE PROVIDER TO SPECIALIST AND BACK TO PRIMARY CARE PROVIDER. MEMORIAL HERMANN FINANCI</p>

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART VI, LINE 6	<p>CHARTING A BETTER FUTURE. A FUTURE THAT'S BUILT UPON THE HEALTH OF OUR COMMUNITY. THIS IS THE DRIVING FORCE FOR MEMORIAL HERMANN, REDEFINING HEALTH CARE FOR THE INDIVIDUALS AND MANY DIVERSE POPULATIONS WE SERVE. OUR 6,700 AFFILIATED PHYSICIANS AND 27,000 EMPLOYEES PRACTICE THE HIGHEST STANDARDS OF SAFE, EVIDENCE-BASED, QUALITY CARE TO PROVIDE A PERSONALIZED AND OUTCOME-ORIENTED EXPERIENCE ACROSS OUR MORE THAN 300 CARE DELIVERY SITES. AS ONE OF THE LARGEST NOT-FOR-PROFIT HEALTH SYSTEMS IN SOUTHEAST TEXAS, MEMORIAL HERMANN HAS AN AWARD-WINNING AND NATIONALLY ACCLAIMED ACCOUNTABLE CARE ORGANIZATION, 13 HOSPITAL FACILITIES AND NUMEROUS SPECIALTY PROGRAMS AND SERVICES CONVENIENTLY LOCATED THROUGHOUT THE GREATER HOUSTON AREA. MEMORIAL HERMANN-TEXAS MEDICAL CENTER IS ONE OF THE NATION'S BUSIEST LEVEL I TRAUMA CENTERS AND SERVES AS THE PRIMARY TEACHING HOSPITAL FOR MCGOVERN MEDICAL SCHOOL AT UTHEALTH. FOR MORE THAN 112 YEARS, OUR FOCUS HAS BEEN THE BEST INTEREST OF OUR COMMUNITY, CONTRIBUTING MORE THAN \$588 MILLION ANNUALLY THROUGH SCHOOL-BASED HEALTH CENTERS AND OTHER COMMUNITY BENEFIT PROGRAMS. NOW AND FOR GENERATIONS TO COME, THE HEALTH OF OUR COMMUNITY WILL BE AT THE CENTER OF WHAT WE DO - CHARTING A BETTER FUTURE FOR ALL. ALL ASPECTS OF THE HEALTH SYSTEM - CARE DELIVERY, PHYSICIANS AND HEALTH SOLUTIONS ARE BROUGHT TOGETHER TO CREATE A TRULY INTEGRATED HEALTH SYSTEM. THIS BREADTH OF SERVICE UNIQUELY POSITIONS MEMORIAL HERMANN TO COLLABORATE WITH OTHER PROVIDERS TO ASSESS AND CREATE HEALTH CARE SOLUTIONS FOR INDIVIDUALS IN GREATER HOUSTON'S DIVERSE COMMUNITIES; TO PROVIDE SUPERIOR QUALITY, COST-EFFICIENT, INNOVATIVE AND COMPASSIONATE CARE; TO SUPPORT TEACHING AND RESEARCH TO ADVANCE THE HEALTH PROFESSIONALS AND HEALTH CARE OF TOMORROW; AND TO PROVIDE HOLISTIC HEALTH CARE WHICH ADDRESSES THE PHYSICAL, SOCIAL, PSYCHOLOGICAL AND SPIRITUAL NEEDS OF INDIVIDUALS. OUR MEMORIAL HERMANN PHYSICIAN NETWORK, MHMD, COMPRISES PHYSICIANS FROM MEMORIAL HERMANN MEDICAL GROUP, UTHEALTH AND PRIVATE PHYSICIANS AND SPECIALISTS. WE OFFER LEADING-EDGE CLINICAL EXPERTISE, PATIENT-CENTERED CARE, AND LEADING EDGE TECHNOLOGY AND INNOVATION. THROUGH MEMORIAL HERMANN'S SUBSIDIARY, MEMORIAL HERMANN COMMUNITY BENEFIT CORPORATION (MHCBC), MEMORIAL HERMANN IMPLEMENTS PROGRAMS TO WORK WITH OTHER HEALTHCARE PROVIDERS, GOVERNMENT AGENCIES, BUSINESS LEADERS AND COMMUNITY STAKEHOLDERS TO ENSURE THAT ALL RESIDENTS OF THE GREATER HOUSTON AREA HAVE ACCESS TO THE CARE THEY NEED TO IMPROVE THEIR QUALITY OF LIFE AND THE OVERALL HEALTH OF THE COMMUNITY. THE MISSION OF MEMORIAL HERMANN COMMUNITY BENEFIT CORPORATION IS TO TEST AND MEASURE INNOVATIVE SOLUTIONS THAT PROMOTE GOOD HEALTH FOR THE INDIVIDUAL, THE HEALTH SYSTEM AND THE COMMUNITY. MHCBC COLLABORATES WITH OTHERS AS WELL AS CREATES SIGNATURE, EVIDENCE-BASED WAYS TO IMPROVE THE COMMUNITIES WHERE PEOPLE LIVE, WORK, LEARN, AND PLAY. MHCBC AREAS OF EXPERTISE SPAN ACCESS AND NAVIGATION, NUTRITION AND PHYSICAL ACTIVITY, SUPPORT OF THE WHOLE PERSON, AND RIGOROUS OUTCOME MEASUREMENT. PRIMARY PROGRAM FOCUS INCLUDE EDUCATION ON, ACCESS TO, AND PROVISION OF PRIMARY MEDICAL, DENTAL, MENTAL HEALTH, AND SOCIAL SERVICE SUPPORT TO UNDERSERVED POPULATIONS; FOOD AS HEALTH; AND, EXERCISE AS MEDICINE. NEW PROGRAMS ARE PILOTED, AND PROVED PROGRAMS ARE REPLICATED IN THE COMMUNITY. COMMUNITY BENEFIT CORPORATION FUNDING TENETS INCLUDE: PROVISION OF PRIMARY AND/OR SPECIALTY CARE FOR THE UNINSURED AND UNDERINSURED; CONTRIBUTION TO THE EXISTING INFRASTRUCTURE OF NON-PROFIT CLINICS AND FQHC'S; PROGRAMS, PRACTICES, AND POLICIES THAT AFFECT THE HEALTH OF INDIVIDUALS, FAMILIES, AND COMMUNITIES; COMMITMENT TO MEASUREMENT; EXISTENCE OF COLLABORATIVE PARTNERS; PROGRAMMATIC INCLUSION OF HEALTH EDUCATION AND LITERACY; STRIVE TOWARDS SUSTAINABILITY. AS REQUIRED BY THE COMMUNITY HEALTH NEEDS ASSESSMENT-SECTION 501(R)(3)-REQUIREMENT OF THE ACA, MEMORIAL HERMANN COMMUNITY BENEFIT CORPORATION SUPPORTS THE MEMORIAL HERMANN HEALTH SYSTEM LICENSED ACUTE CARE, REHAB, AND SURGICAL AND ER HOSPITALS IN CONDUCTING COMMUNITY NEEDS ASSESSMENTS. THE CORRESPONDING IMPLEMENTATIONS STRATEGIES BALANCE THE INDIVIDUALITY OF THE DIFFERENT HOSPITALS WITH THE SYSTEM STRATEGY OF COLLECTIVELY SUPPORTING COMMUNITY OBJECTIVES TO ACHIEVE THE NECESSARY ALIGNMENT AND LEVERAGE TO IMPACT TRUE COMMUNITY CHANGE.</p>

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART VI, LINE 7	TEXAS

Additional Data

Software ID:
Software Version:
EIN: 74-1152597
Name: Memorial Hermann Health System

Form 990 Schedule H, Part V Section A. Hospital Facilities

Section A. Hospital Facilities (list in order of size from largest to smallest—see instructions) How many hospital facilities did the organization operate during the tax year? 15		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER—24 hours	ER—other	Other (Describe)	Facility reporting group
1	Memorial Hermann Hospital - TMC 6411 fannin houston, TX 77030 www.memorialhermann.org 347	X	X	X	X		X	X			A
2	MH Memorial City Medical Center 921 gessner houston, TX 77024 www.memorialhermann.org 302	X	X					X			A
3	MH The Woodlands Medical Center 9250 pinecroft the woodlands, TX 77381 www.memorialhermann.org 615	X	X					X			A
4	Memorial Hermann Southwest Hospital 7600 beechnut houston, TX 77074 www.memorialhermann.org 407	X	X		X			X			A
5	Memorial Hermann Southeast Hospital 11800 astoria blvd houston, TX 77089 www.memorialhermann.org 119	X	X					X			A

Section A. Hospital Facilities		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
(list in order of size from largest to smallest—see instructions) How many hospital facilities did the organization operate during the tax year? 15											
Name, address, primary website address, and state license number											
6	MH Greater Heights Hospital 1635 North Loop West Houston, TX 77008 www.memorialhermann.org 172	X	X					X			A
7	Memorial Hermann Katy Hospital 23900 katy freeway katy, TX 77494 www.memorialhermann.org 534	X	X					X			A
8	Memorial Hermann Northeast 18951 Memorial North Humble, TX 77338 www.memorialhermann.org 8471	X	X					X			A
9	Memorial Hermann Sugar Land 17500 west grand parkway south sugar land, TX 77479 www.memorialhermann.org 609	X	X					X			A
10	TIRR Memorial Hermann 1333 moursund street houston, TX 77030 www.memorialhermann.org 100189	X	X				X				A

Section A. Hospital Facilities		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
<p>(list in order of size from largest to smallest—see instructions)</p> <p>How many hospital facilities did the organization operate during the tax year?</p> <p>15</p> <p>Name, address, primary website address, and state license number</p>											
11	MH Surgical Hospital First Colony 16906 Southwest Freeway Sugar Land, TX 77479 www.memorialhermann.org 100161	X	X								A
12	MH Specialty Hospital Kingwood LLC 300 Kingwood Medical Drive Kingwood, TX 77339 www.memorialhermann.org 8591	X	X								A
13	MH Rehabilitation Hospital Katy 21720 Kingsland Blvd Ste 102 Katy, TX 77450 www.memorialhermann.org 100009	X	X								A
14	MH First Colony Hospital 16000 Southwest Freeway Suite 100 Sugar Land, TX 77479 www.memorialhermann.org 100393	X	X					X			A
15	Memorial Hermann Tomball Hospital 24429 Tomball Parkway Tomball, TX 77375 www.memorialhermann.org 100394	X	X					X			A

Section C. Supplemental Information for Part V, Section B.Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
PART V, SECTION B, LINE 5	<p>MEMORIAL HERMANN HEALTH SYSTEM JOINED WITH THE EPISCOPAL HEALTH FOUNDATION (EHF) IN THEIR KEY INFORMANT INTERVIEW INITIATIVE SUPPORTING FOUR GREATER HOUSTON AREA HOSPITAL SYSTEMS I N PREPARING THEIR COMMUNITY HEALTH NEEDS ASSESSMENTS. THE COLLABORATING HOSPITALS OF THIS INITIATIVE INCLUDED MEMORIAL HERMANN, CHI ST. LUKE'S HEALTH, HOUSTON METHODIST, AND TEXAS CHILDREN'S. THROUGH THIS PARTNERSHIP, A TOTAL OF 53 INTERVIEWS WERE CONDUCTED WITH STAKEHO LDERS FROM A RANGE OF SECTORS SUCH AS GOVERNMENT, HEALTHCARE, BUSINESS, AND COMMUNITY SERV ICE ORGANIZATIONS. AN ADDITIONAL 11 INTERVIEWS WERE CONDUCTED FOR MEMORIAL HERMANN COUNTIE S NOT SHARED BY THE COLLABORATIVE. WHILE SOCIAL AND EPIDEMIOLOGICAL DATA CAN PROVIDE A HEL PFUL PORTRAIT OF A COMMUNITY, IT DOES NOT TELL THE WHOLE STORY. IT IS CRITICAL TO UNDERSTA ND PEOPLE'S HEALTH ISSUES OF CONCERN, THEIR PERCEPTIONS OF THE HEALTH OF THEIR COMMUNITY, THE PERCEIVED STRENGTHS AND ASSETS OF THE COMMUNITY, AND THE VISION THAT RESIDENTS HAVE FO R THE FUTURE OF THEIR COMMUNITY. SECONDARY DATA WAS SUPPLEMENTED BY A COMMUNITY SURVEY COL LECTED THROUGH AN ONLINE SURVEY. THIS SURVEY CONSISTED OF 11 QUESTIONS RELATED TO TOP HEAL TH NEEDS IN THE COMMUNITY, INDIVIDUALS' PERCEPTION OF THEIR OVERALL HEALTH, AND WEEKLY EXE RCISE HABITS. THE COMMUNITY SURVEY WAS DISTRIBUTED ONLINE THROUGH SURVEYMONKEY FROM OCTOBE R 23RD THROUGH NOVEMBER 27TH OF 2018. THE SURVEY WAS MADE AVAILABLE IN BOTH ENGLISH AND SP ANISH. PAPER SURVEYS WERE ALSO MADE AVAILABLE AND ANSWERS TO THE PAPER SURVEY WERE ENTERED INTO THE SURVEYMONKEY TOOL. A TOTAL OF 285 RESPONSES WERE COLLECTED. SURVEY RESPONDENTS W ERE ASKED TO SELECT TOP ISSUES MOST AFFECTING THE COMMUNITY'S QUALITY OF LIFE. THE MAJORIT Y OF RESPONDENTS IDENTIFIED DIABETES, OBESITY/OVERWEIGHT, SUBSTANCE ABUSE, AND MENTAL HEAL TH AND MENTAL DISORDERS AS TOP ISSUES IN THE COMMUNITY. INTERVIEWEES WHO WERE ASKED TO PAR TICIPATE WERE RECOGNIZED AS HAVING EXPERTISE IN PUBLIC HEALTH, SPECIAL KNOWLEDGE OF COMMUN ITY HEALTH NEEDS AND/OR REPRESENTED THE BROAD INTEREST OF THE COMMUNITY SERVED BY THE HOSP ITAL, AND/OR COULD SPEAK TO THE NEEDS OF MEDICALLY UNDERSERVED OR VULNERABLE POPULATIONS. COMMUNITY LEADERS WITH SPECIFIC EXPERIENCE WORKING WITH PRIORITY POPULATIONS, SUCH AS WOMEN, CHILDREN, PEOPLE OF COLOR, THE DISABLED, AND MORE, WERE ALSO A FOCUS. THE FOLLOWING LIS T OF ORGANIZATIONS CONTRIBUTED KEY INFORMANT INTERVIEWS; ACCESSHEALTH (FQHC) (FORT BEND FA MILY HEALTH CENTER); AIDS FOUNDATION OF HOUSTON; ASSOCIATION FOR THE ADVANCEMENT OF MEXICA N AMERICANS; AVENUE CDC; CATHOLIC CHARITIES - ARCHDIOCESE OF GALVESTON; CATHOLIC CHARITIES - FORT BEND; CHILD ADVOCATES OF FORT BEND; CHILDREN AT RISK; CHRIST CLINIC; CITY OF HOUST ON, DEPARTMENT OF PARKS AND RECREATION; COASTAL AREA HEALTH EDUCATION CENTERS (AHEC); COMM UNITY HEALTH CHOICE; EL CENTRO DE CORAZON; EPISCOPAL HEALTH FOUNDATION; FORT BEND COUNTY H EALTH AND HUMAN SERVICES; FORT BEND COUNTY SHERIFF'S OFFICE; FORT BEND REGIONAL COUNCIL ON SUBSTANCE ABUSE; FORT BEND SE</p>

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
PART V, SECTION B, LINE 5	<p>NIORS MEALS ON WHEELS; FORT BEND WOMEN'S CENTER; GALVESTON COUNTY HEALTH DISTRICT; GALVESTON COUNTY MENTAL HEALTH DEPUTIES; GREATER HOUSTON PARTNERSHIP; GREATER HOUSTON WOMEN'S CHAMBER OF COMMERCE; GULF COAST MEDICAL FOUNDATION; HARRIS COUNTY PUBLIC HEALTH; HEALTHCARE FOR THE HOMELESS - HOUSTON; HOPE CLINIC (FQHC); HOUSTON FOOD BANK; HOUSTON HEALTH DEPARTMENT; HOUSTON HOUSING AUTHORITY; HOUSTON INDEPENDENT SCHOOL DISTRICT; INTERFAITH COMMUNITY CLINIC; KINDER INSTITUTE; LEGACY COMMUNITY HEALTH; LIBERTY COUNTY SHERIFF'S OFFICE; LONE STAR FAMILY HEALTH CENTER; MIDTOWN ARTS AND THEATER CENTER HOUSTON; MONTGOMERY COUNTY WOMEN'S CENTER; BAKER-RIPLEY EARLY HEAD START; PATIENT CARE INTERVENTION CENTER (PCIC); PRAIRIE VIEW A&M UNIVERSITY; SANTA MARIA HOSTEL, INC.; THE ARC OF FORT BEND COUNTY; THE HARRIS CENTER FOR MENTAL HEALTH AND IDD (FORMERLY MHMRA); THE ROSE; THE WOMEN'S HOME; TRI-COUNTY SERVICES BEHAVIORAL HEALTHCARE; UNITED WAY OF BRAZORIA COUNTY; UNITED WAY OF GREATER HOUSTON; UNITED WAY OF HARRIS AND MONTGOMERY COUNTY; WEST CHAMBERS MEDICAL CENTER (FQHC); YMCA OF GREATER HOUSTON. CHNA's WERE DESIGNED IN ACCORDANCE WITH CHNA REQUIREMENTS IDENTIFIED IN THE PATIENT PROTECTION AND AFFORDABLE CARE ACT AND FURTHER ADDRESSED IN THE INTERNAL REVENUE SERVICE FINAL REGULATIONS RELEASED ON DECEMBER 29, 2014.</p>

Form 990 Part V Section C Supplemental Information for Part V, Section B.	
Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.	
Form and Line Reference	Explanation
PART V, SECTION B, LINE 6A	CHI ST. LUKE'S HEALTH, HOUSTON METHODIST, TEXAS CHILDREN'S

Form 990 Part V Section C Supplemental Information for Part V, Section B.	
Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.	
Form and Line Reference	Explanation
PART V, SECTION B, LINE 6B	EPISCOPAL HEALTH FOUNDATION

Section C. Supplemental Information for Part V, Section B.Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
PART V, SECTION B, LINE 11	<p>AS THE LARGEST HEALTH SYSTEM IN SOUTHEAST TEXAS SERVING THE FOURTH LARGEST AND FASTEST-GROWING METROPOLITAN AREA IN THE UNITED STATES, MEMORIAL HERMANN IS COMMITTED TO BEING A STEWARD OF THE COMMUNITY'S HEALTH-NOT ONLY BY DELIVERING HIGH QUALITY SERVICES FOR THE ADULTS AND CHILDREN WHO SEEK CARE AT A MEMORIAL HERMANN FACILITY, BUT THROUGH PROGRAMS AND COLLABORATIONS COMMITTED TO MAKING THE GREATER HOUSTON AREA A HEALTHIER AND MORE VITAL PLACE TO LIVE. HEALTH EDUCATION, HEALTHY FOODS, SAFE PLACES TO EXERCISE, AND ACCESS TO HEALTH AND BEHAVIORAL HEALTH SERVICES ARE VITAL TO IMPROVING THE OVERALL HEALTH OF RESIDENTS SINCE LACK OF THESE EFFORTS CONTRIBUTES TO THE ESCALATING CHRONIC DISEASE EPIDEMIC. THUS TO SUPPORT AND ENGAGE OUR COMMUNITY, OUR FOUNDATION FOR OUR WORK RESTS ON FOUR PILLARS: FOCUSING ON IMPROVING ACCESS THROUGH PROGRAMMING, EDUCATION AND SOCIAL SERVICE SUPPORT; PROMOTING THE IMPORTANCE OF A HEALTHY DIET THROUGH SCREENING AND CREATING ACCESS TO NUTRITIOUS FOODS; FOSTERING IMPROVED HEALTH THROUGH EXERCISE WITH CULTURALLY APPROPRIATE ACTIVITIES; AND, ADDRESSING EMOTIONAL WELL-BEING THROUGH INNOVATIVE ACCESS POINTS. SIGNATURE, CORNERSTONE INITIATIVES SUPPORTING THE FOUR PILLARS INCLUDE: HEALTH CENTERS FOR SCHOOLS; MOBILE DENTAL VANS ; ER NAVIGATORS; COMMUNITY RESOURCE CENTER; NURSE HEALTH LINE; STEPHEALTHY (REDUCE OBESITY) ; PARK ACTIVATIONS; NEIGHBORHOOD HEALTH CENTERS; PSYCHIATRIC RESPONSE TEAM; MENTAL HEALTH CRISIS CLINICS. THE 2019 CHNA FINDINGS RESULTED FROM THE ANALYSIS OF AN EXTENSIVE SET OF SECONDARY DATA (OVER 100 INDICATORS FROM NATIONAL AND STATE DATA SOURCES) AND PRIMARY DATA COLLECTED FROM COMMUNITY LEADERS, NON-HEALTH PROFESSIONALS, AND ORGANIZATIONS SERVING THE COMMUNITY AT LARGE, VULNERABLE POPULATIONS, AND/OR POPULATIONS WITH UNMET HEALTH NEEDS. THROUGH AN EXAMINATION OF THE PRIMARY AND SECONDARY DATA, THE FOLLOWING TOP HEALTH NEEDS WERE IDENTIFIED: ACCESS TO HEALTH SERVICES; CANCERS; CHILDREN'S HEALTH; DIABETES; ECONOMY; EDUCATION; FOOD INSECURITY; HEART DISEASE/STROKE; LACK OF HEALTH INSURANCE; LOW-INCOME/UNDERSERVED; MENTAL HEALTH; OBESITY; OLDER ADULTS/AGING; SUBSTANCE ABUSE; TRANSPORTATION. STAKEHOLDERS FROM THE 13 LICENSED FACILITIES IN THE MEMORIAL HERMANN HEALTH SYSTEM COMPLETED A SURVEY TO PRIORITIZE THE SIGNIFICANT HEALTH ISSUES, BASED ON CRITERIA INCLUDING HEALTH IMPACT AND RISK AS WELL AS CONSIDERATION OF MEMORIAL HERMANN'S STRATEGIC FOCUS. WITH MEMORIAL HERMANN'S FOUR PILLARS DESIGNED TO DELIVER EFFECTIVE UPSTREAM INTERVENTIONS, ADDRESSING THE ABOVE IDENTIFIED COMMUNITY NEEDS CONTINUE TO FALL WITHIN OUR FOUR PILLARS: ACCESS TO HEALTHCARE; EMOTIONAL WELL-BEING; FOOD AS HEALTH; EXERCISE IS MEDICINE. THE CHNA PROCESS ENABLES EACH HOSPITAL WITHIN MEMORIAL HERMANN TO DEVELOP PROGRAMS AND SERVICES THAT ADVANCE THE HEALTH OF ITS COMMUNITY, BUILDING THE FOUNDATION FOR SYSTEMIC CHANGE ACROSS THE GREATER HOUSTON AREA. MANY ARE REPRESENTED WITHIN THE SPECIFIC HOSPITAL'S IMPLEMENTATIONS STRATEGIES, AND INCLUDE THE SIGNATURE</p>

Section C. Supplemental Information for Part V, Section B.Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
PART V, SECTION B, LINE 11	E, CORNERSTONE INITIATIVES DELINEATED ABOVE. OTHERS ARE ONGOING PROGRAMS COLLECTED VIA COM MUNITY BENEFIT INVENTORY FOR SOCIAL ACCOUNTABILITY (CBISA) AND INCLUDE THE FOLLOWING: ATHL ETIC MEDICAL COVERAGE FOR SCHOOLS; MEDICAL COVERAGE FOR RACES; INJURY CLINICS; WORKSHOPS F OR COACHES; BLOOD DRIVES; CLASSES AND SEMINARS: BREAST FEEDING, CARDIOVASCULAR; COLORECTAL ; INFANT CPR; COOKING DEMONSTRATIONS; FITNESS AND NUTRITION; JOINT SYMPOSIUM AND JOINT REP LACEMENT; PEDIATRIC WEIGHT MANAGEMENT; SUPER SIBLING; TEEN PREGNANCY/PARENTING; TEEN DRIVE R SAFETY; TRAUMA AND BLEEDING CONTROL; WEIGHT LOSS. CHILD AND SAFETY SEAT DISTRIBUTION. CO MMUNITY HEALTH EDUCATION: ALZHEIMER'S DISEASE; BREAST CANCER AWARENESS; CANCER PREVENTION AND TESTING; CAREER NIGHT; DISCOUNTED DIABETES EDUCATION; DISTRACTED DRIVING; EDUCATION/OU TREACH FOR SENIORS; EDUCATION AND SUPPORT GROUPS FOR CANCER PATIENTS: ART, SELF-GUIDED ART THERAPY, LYMPHEDEMA, BREAST CANCER, ONCOLOGY NUTRITION THERAPY, STRESS RELIEF, LOOK GOOD FEEL BETTER, YOGA, MEDITATION AND HEALTH EATING ADVICES; IMMUNOTHERAPY; INJURY AND FALL PR EVENTION AND AWARENESS; KIDNEY DISEASES; MEN'S HEALTH; MENTAL HEALTH AND ANXIETY IN STUDEN TS; OPIOIDS; PARENTING/SIBLINGS ;PROSTATE CANCER AWARENESS; SLEEP APNEA; STROKE SIGNS; WOM EN'S HEALTH; WOUND CARE. EDUCATION FOR NURSES, NURSING STUDENTS, AND SCHOOL NURSES. FOOD, BOOK, BACKPACK DRIVES; HEALTH FAIRS; INSURANCE COVERAGE ASSISTANCE; MEDICAL TRANSPORTATION , TRANSPORTATION VOUCHERS; NAVIGATION SERVICES TO MEET THE NEEDS OF UNINSURED AND UNDERINS URED PATIENTS; POST-POLIO PATIENTS; VETERANS AND RESEARCH SUBJECTS SUPPORTED BY SPECIAL FU NDS; PROMOTION OF ACCESS TO HEALTHY FOOD; FARMERS MARKETS; SAFE PHYSICAL ACTIVITIES; NUTRI TION THERAPY. SCREENINGS: ATHLETIC HEART SCREENINGS; BIOMETRIC, BLOOD PRESSURE; IMPACT CON CUSSION TESTING; LOW DOSE CT LUNG CANCER, MAMMOGRAMS AND BREAST ULTRASOUNDS FOR UNDERSERVE D WOMEN; PROSTATE; STROKE; SKIN; SPORTS PHYSICALS; SUPPORT OF AREA WALK/RUN/TRI EVENTS; SU PPORT GROUPS FOR: ALZHEIMER'S; AMPUTEES; BARIATRIC; BETTER BREATHERS; BREAST FEEDING; CARE GIVER; CHRONIC DISEASE; DIABETICS; EPILEPSY; GRIEF; MENDED HEARTS; MULTIPLE SCLEROSIS NICU ; OBESITY; PARKINSON'S DISEASE; SMOKING CESSATION; SUBSTANCE ABUSE; STROKE; TEEN PARENTS; TRANSPLANT PATIENTS; TRAUMATIC BRAIN INJURY; TELEMEDICINE CONSULTS FOR STROKE AND PEDI SUR GERY; VOLUNTEER CLINICS; WALK WITH A DOC; WEIGHT MANAGEMENT

Form 990 Part V Section C Supplemental Information for Part V, Section B.

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

Form and Line Reference	Explanation
PART V, SECTION A, HOSPITAL FACILTIES	During the fiscal year, two hospital facilities, Memorial Hermann First Colony Hospital and Memorial Hermann Tomball Hospital, ceased operations. Both hospital facilities were part of a joint venture, MH Emerus JV, LLC, between Memorial Hermann Health System and Emerus Investment Company V, LLC, a wholly owned subsidiary of Emerus Holdings, Inc.

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 MH Surgery Center Texas Medical Center 6400 Fannin Street STE 1500 Houston, TX 77030	Ambulatory Surgical Center
1 MH Surgery Center The Woodlands - Pinecr 9305 Pinecroft Drive STE 200 The Woodlands, TX 77380	Ambulatory Surgical Center
2 MH Surgery Center Woodlands Parkway 1441 Woodstead Court STE 100 The Woodlands, TX 77380	Ambulatory Surgical Center
3 Doctors United Surgery Center 5146 Preston Avenue Pasadena, TX 77504	Ambulatory Surgical Center
4 MH Surgery Center Memorial Village 1120 Business Center Dr STE 110 Houston, TX 77043	Ambulatory Surgical Center
5 MH Surgery Center Kirby Glen 2457 S Braeswood Blvd Houston, TX 77030	Ambulatory Surgical Center
6 MH The Woodlands Medical Center Surgery 9200 Pinecroft Drive STE 200 The Woodlands, TX 77380	Ambulatory Surgical Center
7 MH Surgery Center Sugar Land 17510 W Grand Parkway STE 200 Sugar Land, TX 77479	Ambulatory Surgical Center
8 MH Surgery Center Conroe 1501 River Pointe Dr STE 200 Conroe, TX 77304	Ambulatory Surgical Center
9 MH Surgery Center Katy 23920 Katy Freeway STE 200 Katy, TX 77494	Ambulatory Surgical Center
10 MH Surgery Center Bay Area Endoscopy Cen 444 FM 1959 STE B Houston, TX 77034	Ambulatory Surgical Center
11 MH Surgery Center Southwest 7789 SW Freeway STE 200 Houston, TX 77074	Ambulatory Surgical Center
12 MH Surgery Center Kingsland 21720 Kingsland Blvd STE 101 Katy, TX 77450	Ambulatory Surgical Center
13 MH Surgery Center Greater Heights 1631 North Loop West STE 300 Houston, TX 77008	Ambulatory Surgical Center
14 MH Surgery Center West Houston 970 Campbell Road STE 101 Houston, TX 77024	Ambulatory Surgical Center

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
16 MH Surgery Center Texas International En 6620 Main St STE 1500 Houston, TX 77030	Ambulatory Surgical Center
1 MH Endoscopy & Surgery Center North Hous 275 Lantern Bend 400 Houston, TX 77090	Ambulatory Surgical Center
2 Memorial Hermann Prevention & Recovery 3043 Gessner Houston, TX 77080	Drug & Alcohol Rehab
3 MH Surgery Center Richmond 1517 Thompson Road STE 100 Richmond, TX 77469	Ambulatory Surgical Center
4 MH Surgery Center Brazoria 2760 Brazos Parkway Angleton, TX 77515	Ambulatory Surgical Center
5 University Place 7480 Beechnut Houston, TX 77074	Senior Living

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493197075770

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

Schedule I
(Form 990)

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States
Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018

Open to Public
Inspection

Department of the
Treasury
Internal Revenue Service
Name of the organization
Memorial Hermann Health System

Employer identification number
74-1152597

Part I

General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II

Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1) See Additional Data							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 55

3 Enter total number of other organizations listed in the line 1 table 10

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.

Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

Part IV **Supplemental Information.** Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

Return Reference	Explanation
------------------	-------------

Additional Data

Software ID:
Software Version:
EIN: 74-1152597
Name: Memorial Hermann Health System

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
MEMORIAL HERMANN COMMUNITY BENEFIT CORPORATION 929 GESSNER STE 1900 HOUSTON, TX 77024	68-0511504	501(c)(3)	6,375,000				Support Charitable Programs* Support Charitable Programs* Support Charitable Programs* Support Educational Programs Support Community Programs Support Charitable Programs Support Charitable Mission Support Charitable Programs Support Charitable Programs Support Charitable Community Programs Support Charitable Charitable Programs Support Charitable Programs Support Charitable Programs Support Charitable Programs Support Community Programs Support Charitable Programs Support Charitable Educational Programs Support Charitable Charitable Programs Support Charitable Community Programs Support Mission Support Charitable Programs Support Charitable Programs Support Charitable Programs Support Community Programs Support Community Programs Support Community Programs Support Community
MEMORIAL HERMANN FOUNDATION 929 GESSNER STE 1900 HOUSTON, TX 77024	74-1653640	501(c)(3)	4,542,131				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
SKEETERS BASEBALL FOUNDATION 3555 TIMMONS HOUSTON, TX 77027	45-4846464	501(c)(3)	255,500				
THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT H 7000 FANNIN ST HOUSTON, TX 77030	74-1761309	State of TX	255,625				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
LAMAR CONSOLIDATED ISD 3911 AVE I ROSENBERG, TX 77471	74-6002016	State of TX	135,417				
American Heart Association Inc 7272 GREENVILLE AVE DALLAS, TX 75231	13-5613797	501(c)(3)	125,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
HOLOCAUST MUSEUM HOUSTON 9220 KIRBY DR STE 100 HOUSTON, TX 77054	76-0331398	501(c)(3)	65,000				
PEDIATRIC EMERGENCY STANDARDS 11870 STATE RD 84 STE C5 DAVIE, FL 33325	27-1385234	N/A	58,737				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
JEWISH FAMILY SERVICE 4131 S BRAESWOOD BLVD HOUSTON, TX 77025	74-1152607	501(c)(3)	55,000				
MARCH OF DIMES INC 1550 CRYSTAL DR STE 1300 ARLINGTON, VA 22202	13-1846366	501(c)(3)	47,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
THE ROSE 12700 N FEATHERWOOD DR HOUSTON, TX 77034	76-0193812	501(c)(3)	45,000				
THE JUNIOR LEAGUE OF HOUSTON INC 1811 BRIAR OAKS LN HOUSTON, TX 77027	74-1185659	501(c)(3)	40,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
CY-FAIR HOUSTON CHAMBER OF COMMERCE 8711 HIGHWAY 6 N STE 120 HOUSTON, TX 77095	76-0194069	501(c)(6)	33,450				
CANCARE INC 9575 KATY FREEWAY SUITE 428 HOUSTON, TX 77024	76-0305357	501(c)(3)	32,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
EDUCATIONAL FOUNDATION OF THE SOUTHEAST TEXAS CHAP 6207 CANYON RUN COURT KATY, TX 77450	45-4519800	501(c)(3)	30,000				
FORT BEND JUNIOR SERVICE LEAGUE PO BOX 17387 SUGAR LAND, TX 77496	76-0664152	501(c)(3)	30,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
BARBARA BUSH HOUSTON LITERACY FOUNDATION 7887 SAN FELIPE SUITE 250 HOUSTON, TX 77063	46-5037878	501(c)(3)	30,000				
HOUSTON PARKS BOARD 300 N POST OAK LANE HOUSTON, TX 77024	74-1860046	501(c)(3)	30,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE GREATER 2600 NORTH LOOP WEST SUITE 300 HOUSTON, TX 77092	74-1109737	501(c)(3)	27,967				
THE WOODLANDS TOWNSHIP 2801 TECHNOLOGY FOREST BLVD THE WOODLANDS, TX 77381	76-0418478	State of TX	27,500				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
UNITED WAY OF GREATER HOUSTON 50 WAUGH DR HOUSTON, TX 77007	74-1167964	501(c)(3)	26,000				
CY-FAIR ISD 10300 JONES ROAD HOUSTON, TX 77065	74-6000654	State of TX	25,700				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
CHILDRENS MUSEUM INC 1500 BINZ ST HOUSTON, TX 77004	74-2178563	501(c)(3)	23,750				
HOUSTON BALLET FOUNDATION 601 PRESTON ST HOUSTON, TX 77002	74-1394920	501(c)(3)	23,350				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
THE UNIVERSITY OF TEXAS MD ANDERSON CANCER CENTER 1515 HOLCOMBE BLVD PO BOX 297402 HOUSTON, TX 770304009	74-6001118	State of TX	20,000				
JOHN P MCGOVERN MUSEUM OF HEALTH & MEDICAL SCIENCE 1515 HERMANN DR HOUSTON, TX 77004	74-6106357	501(c)(3)	20,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
KNOWLEDGE ARTS FOUNDATION 2900 WESLAYAN SUITE 375 HOUSTON, TX 77027	20-2425139	501(c)(3)	17,500				
OVARCOME NON-PROFIT INC 2525 ROBINHOOD ST STE 203 HOUSTON, TX 77005	45-4716979	501(c)(3)	16,250				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
KATY AREA ECONOMIC DEVELOPMENT COUNCIL 2002 W GRAND PKWY N STE 220 KATY, TX 77449	20-0321679	501(c)(6)	15,250				
PARADIGM MANAGEMENT SERVICES 1277 TREAT BLVD STE 800 WALNUT CREEK, CA 94597	68-0253860	N/A	15,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
SCENIC TEXAS INC 5615 KIRBY DR STE 645 HOUSTON, TX 77005	76-0127655	501(c)(3)	15,000				
THEATRE UNDER THE STARTS INC 800 BAGBY STREET 200 HOUSTON, TX 77002	74-1621647	501(c)(3)	15,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
AMERICAN CANCER SOCIETY INC 250 Williams Street NW 400 Atlanta, GA 30303	13-1788491	501(c)(3)	15,000				
CONROE LAKE CONROE CHAMBER OF COMMERCE 505 W DAVIS ST CONROE, TX 77301	74-0792440	501(c)(6)	15,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
JAPAN-AMERICA SOCIETY OF HOUSTON INC 4543 POST OAK PLACE DR HOUSTON, TX 77027	23-7120557	501(c)(3)	15,000				
GREATER HOUSTON PARTNERSHIP INC 701 AVENIDA DE LAS AMERICAS STE 900 HOUSTON, TX 77010	76-0267896	501(c)(6)	13,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
HUMBLE AREA CHAMBER OF COMMERCE INCORPORATED 110 W MAIN ST HUMBLE, TX 77338	74-1341059	501(c)(6)	11,515				
FRIENDS OF WEST UNIVERSITY PARKS FUND 4210 BELLAIRE BLVD WEST UNIVERSITY PLACE, TX 77025	76-0192413	501(c)(3)	11,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
JUNIOR ACHIEVEMENT OF SOUTHEAST TEXAS INC 2115 E GOVERNORS CIRCLE HOUSTON, TX 77092	74-1153957	501(c)(3)	10,800				
KATY CHAMBER OF COMMERCE 814 EAST AVE STE G KATY, TX 77493	74-2028745	501(c)(3)	10,750				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
CAMP ALLEN CAMP & CONFERENCE CENTER 18800 FM 362 NAVASOTA, TX 77868	74-6016479	501(c)(3)	10,000				
INTERFAITH MINISTRIES GREATER HOUSTON 3303 MAIN STREET HOUSTON, TX 77002	74-1488102	501(c)(3)	10,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
WILLIAMS MARSH RICE UNIVERSITY 6100 MAIN ST MS-70 HOUSTON, TX 77005	74-1109620	501(c)(3)	10,000				
CRIME STOPPERS OF HOUSTON INC PO BOX 541654 HOUSTON, TX 77254	74-2137744	501(c)(3)	10,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
THE WOODLANDS ROTARY CLUB FOUNDATION PO BOX 7353 THE WOODLANDS, TX 77387	68-0586779	501(c)(3)	10,000				
DISCOVERY GREEN CONSERVANCY 1500 MCKINNEY ST HOUSTON, TX 77010	20-1951465	501(c)(3)	10,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
RONALD MCDONALD HOUSE OF HOUSTON INC 1907 HOLCOMBE BLVD HOUSTON, TX 77030	74-1984499	501(c)(3)	10,000				
UNITED STATES FUND FOR UNICEF 125 MAIDEN LN NEW YORK, NY 10038	13-1760110	501(c)(3)	10,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
AVDA 1001 TEXAS AVE STE 600 HOUSTON, TX 77002	74-2141981	501(c)(3)	10,000				
CULLINAN PARK CONSERVANCY PO BOX 422 SUGAR LAND, TX 77487	45-4477343	501(c)(3)	10,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
FORT BEND YOUTH FOOTBALL LEAGUE 1306 ASHWOOD SUGAR LAND, TX 77478	46-2742566	501(c)(3)	10,000				
HOUSTON ZOO INC 1513 CAMBRIDGE HOUSTON, TX 77030	74-1590271	501(c)(3)	10,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
CY-FAIR EDUCATIONAL FOUNDATION PO BOX 1698 CYPRESS, TX 774101698	23-7079589	501(c)(3)	9,600				
TEAM CATAPULT 1806 SEAMIST CT HOUSTON, TX 77008	47-5137944	501(c)(3)	7,500				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
FINISH LINE SPORTS 13895 SOUTHWEST FWY SUGAR LAND, TX 77478	76-0134642	N/A	7,500				
MEN OF DISTINCTION OF GREATER HOUSTON 7914 S WELLINGTON COURT HOUSTON, TX 77055	26-0421594	501(c)(3)	7,500				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
EAST BERNARD INDEPENDENT SCHOOL DISTRICT 723 COLLEGE ST EAST BERNARD, TX 77435	74-6000708	State of TX	7,000				
ASSOCIATION FOR THE ADVANCEMENT OF MEXICAN AMERICA 6001-E GULF FREEWAY BLDG E HOUSTON, TX 77023	74-1696961	501(c)(3)	7,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
BRIDGELAND DEVELOPMENT LP 16919 NORTH BRIDGELAND LAKE PARKWAY CYPRESS, TX 77433	52-2285053	N/A	7,000				
NEEDVILLE INDEPENDENT SCHOOL DISTRICT PO BOX 412 NEEDVILLE, TX 77461	74-6001773	State of TX	7,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
EL CAMPO ISD 700 W NORRIS EL CAMPO, TX 77437	74-6000730	State of TX	7,000				
NORTHEAST HOSPITAL FOUNDATION PO BOX 2738 HUMBLE, TX 77347	76-0224541	501(c)(3)	6,200				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
RECIPE FOR SUCCESS FOUNDATION PO BOX 56405 HOUSTON, TX 77256	20-3377041	501(c)(3)	6,000				
FORT BEND FAMILY HEALTH CENTER INC 400 AUSTIN ST RICHMOND, TX 77469	74-1951476	501(c)(3)	6,000				

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.							
(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
TEACH FOR AMERICA INC 25 BROADWAY 12TH FLOOR NEW YORK, NY 10004	13-3541913	501(c)(3)	6,000				
HUMBLE ISD EDUCATION FOUNDATION PO BOX 2000 HUMBLE, TX 77347	76-0608461	501(c)(3)	5,500				

Schedule J (Form 990)	Compensation Information	OMB No. 1545-0047
		2018
		Open to Public Inspection
Department of the Treasury Internal Revenue Service	For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23. ▶ Attach to Form 990. ▶ Go to www.irs.gov/Form990 for instructions and the latest information.	
Name of the organization Memorial Hermann Health System		Employer identification number 74-1152597

Part I Questions Regarding Compensation		Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.			
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use		
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence		
<input type="checkbox"/> Tax idemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain		1b	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?		2	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.			
<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract		
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study		
<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a Receive a severance payment or change-of-control payment?		4a	Yes
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?		4b	Yes
c Participate in, or receive payment from, an equity-based compensation arrangement?		4c	No
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a The organization?		5a	No
b Any related organization?		5b	No
If "Yes," on line 5a or 5b, describe in Part III.			
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a The organization?		6a	No
b Any related organization?		6b	No
If "Yes," on line 6a or 6b, describe in Part III.			
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III.		7	Yes
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.		8	No
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		9	

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

[illegible]

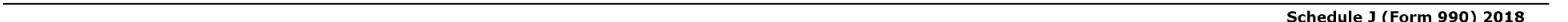
Part III **Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Return Reference	Explanation
Form 990 Schedule J Part I Line 4a	Severance or Change of Control Payments: Gary Kerr (\$696,165.60); David Bradshaw (\$1,712,516); Anthony Frank (\$628,087); Keith Alexander (\$393,715); Rodney Brace (\$614,578)

Return Reference	Explanation
Form 990 Schedule J Part I Line 4b	Supplemental Nonqualified Retirement Plan: MEMORIAL HERMANN HEALTH SYSTEM SPONSERS TWO SUPPLEMENTAL NONQUALIFIED RETIREMENT PLANS; MEMORIAL HERMANN SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN (SERP); EXECUTIVE DEFERRED COMPENSATION PLAN (EDCP). THE FOLLOWING INDIVIDUAL (S) PARTICIPATED IN AND/OR RECEIVED PAYMENTS (NOTED IN PARENTHESIS FOR SERP AND EDCP RESPECTIVELY) FROM MEMORIAL HERMANN HEALTH SYSTEM'S SUPPLEMENTAL NON-QUALIFIED RETIREMENT PLAN DURING THE TAX YEAR: CHARLES STOKES (\$79,415.92/\$161,355.68); HEATH RUSHING (\$16,478.78/\$36,876.95); ANTHONY FRANK (\$0/\$94,752.83); ANGELA SHIPPY, M.D. (\$0/\$87,720.17); SUSAN DISTEFANO (\$19,657.27/\$55,940.02); PAUL O'SULLIVAN (\$17,229.62/\$45,795.74); ERIN ASPREC (\$67,807.44/\$86,111.26); AMANDA HAMMEL (\$8,325.34/\$44,990.39); GREGORY HARALSON (\$0/\$62,106.25); JOSHUA URBAN (\$19,640.13/\$80,808.69); DEBORAH GORDON (\$0/\$69,420.31); BRIAN DEAN (\$0/\$70,191.66); WARREN SHEA (\$0/\$15,102.29); RODNEY BRACE (\$0/\$86,985.61); DAVID BRADSHAW (\$0/\$116,366.49)

Return Reference	Explanation
Form 990 Schedule J Part I Line 7	MEMORIAL HERMANN HEALTH SYSTEM HAS TWO INCENTIVE PROGRAMS IN WHICH CERTAIN MANAGEMENT INDIVIDUALS MAY PARTICIPATE, THE MANAGEMENT INCENTIVE BONUS AND LONG TERM INCENTIVE PLAN. THE MANAGEMENT INCENTIVE BONUS IS AN ANNUAL INCENTIVE DESIGNED TO ATTRACT AND RETAIN KEY LEADERS AND ESTABLISH GREATER ACCOUNTABILITY AND ALIGNMENT TO BUSINESS PERFORMANCE. PAYMENT AMOUNT TARGETS ARE BASED UPON A PERCENTAGE OF BASE SALARY, DEVELOPED BY INDEPENDENT THIRD PARTY EXPERTS. MEMORIAL HERMANN'S COMPENSATION COMMITTEE AND GOVERNING BOARD HAS FINAL DISCRETION WHETHER TO AWARD AMOUNTS TO INDIVIDUALS AND TO ADJUST THE PAYMENT AT THEIR SOLE DISCRETION. THE LONG TERM INCENTIVE PLAN IS BASED ON A THREE-YEAR PERFORMANCE PLAN, WHICH REWARDS KEY SENIOR LEADERS BY ALIGNING THEIR COMPENSATION TO STRATEGIC INITIATIVES OF MEMORIAL HERMANN. PERFORMANCE TARGETS ARE BASED UPON A PERCENTAGE OF THE INDIVIDUAL'S BASE SALARY AND ARE DEVELOPED BY INDEPENDENT THIRD PARTY EXPERTS USING MARKET COMPETITIVE DATA WITHIN THE GUIDES OF REASONABLENESS. AT THE END OF A THREE-YEAR PERIOD, MEMORIAL HERMANN'S COMPENSATION COMMITTEE REVIEWS PERFORMANCE AGAINST GOALS TO DETERMINE APPROPRIATE PAYOUT. MEMORIAL HERMANN'S COMPENSATION COMMITTEE AND GOVERNING BOARD HAS FINAL DISCRETION WHETHER TO AWARD AMOUNTS TO INDIVIDUALS AND TO ADJUST THE PAYMENT AT THEIR SOLE DISCRETION.



Additional Data

Software ID:
Software Version:
EIN: 74-1152597
Name: Memorial Hermann Health System

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
Charles D Stokes CEO/PRESIDENT	(i)	1,190,099	991,413	304,985	337,796	1,675	2,825,968	161,356
	(ii)	0	0	0	0	0	0	0
J Kevin Giglio MD Director	(i)	0	0	0	0	0	0	0
	(ii)	163,168	0	0	0	0	163,168	0
Deborah Gordon EVP/CAO/CLO/SECRETARY	(i)	610,513	414,728	93,988	167,347	1,675	1,288,251	69,420
	(ii)	0	0	0	0	0	0	0
Brian Dean EVP/CFO/TREASURER	(i)	683,283	489,600	103,280	178,788	1,675	1,456,626	70,192
	(ii)	0	0	0	0	0	0	0
Carrol E Aulbaugh EVP/CFO/TREASURER	(i)	654,303	347,501	33,669	193,050	1,675	1,230,198	0
	(ii)	0	0	0	0	0	0	0
Myron M Shabot MD EVP/CCO	(i)	662,532	513,772	222,496	202,588	1,675	1,603,063	128,119
	(ii)	0	0	0	0	0	0	0
Warren Shea VP/ASST SECY	(i)	301,696	111,340	40,929	49,646	1,675	505,286	15,102
	(ii)	0	0	0	0	0	0	0
Paul C O'Sullivan SVP/CEO-Memorial City	(i)	399,832	279,314	103,114	100,673	1,675	884,608	45,796
	(ii)	0	0	0	0	0	0	0
Erin S Asprecc EVP/Acute Care Services/CTO	(i)	690,048	1,119,194	205,517	188,043	1,675	2,204,477	86,111
	(ii)	0	0	0	0	0	0	0
Amanda Hammel SVP/CIO	(i)	342,474	117,033	107,295	59,495	1,675	627,972	44,990
	(ii)	0	0	0	0	0	0	0
Gregory L Haralson SVP/CEO-SW/SL	(i)	469,374	248,702	83,449	93,057	1,675	896,257	62,106
	(ii)	0	0	0	0	0	0	0
James McCarthy MD EVP/CMO	(i)	499,711	97,448	22,784	134,415	1,675	756,033	0
	(ii)	1,600	0	0	0	0	1,600	0
Joshua Urban SVP/CEO-NE/TW	(i)	468,913	272,315	118,894	112,672	1,675	974,469	80,809
	(ii)	0	0	0	0	0	0	0
Heath Rushing SVP/CEO-Cypress/Katy	(i)	417,014	241,472	69,517	99,448	1,675	829,126	36,877
	(ii)	0	0	0	0	0	0	0
Gary Kerr FORMER HIGHEST COMPENSATED	(i)	0	55,902	699,034	879	0	755,815	0
	(ii)	0	0	0	0	0	0	0
Anthony P Frank SVP/CAO	(i)	210,620	234,879	834,050	0	838	1,280,387	94,753
	(ii)	0	0	0	0	0	0	0
Angela Shippy MD SVP/CQO	(i)	483,969	278,182	110,066	109,622	1,675	983,514	87,720
	(ii)	0	0	0	0	0	0	0
Susan M Distefano SVP/CEO-Children's Hospital	(i)	392,150	278,677	94,619	98,824	1,675	865,945	55,940
	(ii)	0	0	0	0	0	0	0
Keith Alexander Former Key Employee	(i)	0	54,729	429,110	0	0	483,839	0
	(ii)	0	0	0	0	0	0	0
Rodney Brace Former Key Employee	(i)	300,280	398,596	804,756	49,873	828	1,554,333	86,986
	(ii)	0	0	0	0	0	0	0

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees								
(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
David Bradshaw Former Key Employee	(i)	233,787	90,251	1,987,191	31,635	558	2,343,422	116,366
	(ii)	0	0	0	0	0	0	0
Dan Wolterman FORMER OFFICER	(i)	0	269,000	0	0	0	269,000	0
	(ii)	0	0	0	0	0	0	0
Kyle Price SVP/CEO-SE/PL/HEARTVAS	(i)	408,124	228,095	90,971	28,243	1,675	757,108	0
	(ii)	0	0	0	0	0	0	0

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Memorial Hermann Health System

Supplemental Information on Tax-Exempt Bonds

► Complete if the organization answered "Yes" to Form 990, Part VI, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
► Attach to Form 990.
► Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018

Open to Public Inspection

Employer identification number
74-1152597

Part I Bond Issues											
(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A HARRIS COUNTY CULTURAL ED FAC FINANCE CORP	76-0337885	414009EM8	11-30-2010	72,206,221	REFUND SERIES 1997B		X		X		X
B HARRIS COUNTY CULTURAL ED FAC FINANCE CORP	76-0337885	414009GR5	03-28-2013	468,778,930	REFUND SERIES 2004A/2008B/C		X		X		X
C HARRIS COUNTY CULTURAL ED FAC FINANCE CORP	76-0337885	414009HL7	06-11-2014	307,303,890	CONSTRUCTION OF HEALTHCARE FACILIT		X		X		X
D HARRIS COUNTY CULTURAL ED FAC FINANCE CORP	76-0337885	414009KF6	12-15-2015	270,200,000	REFUND SERIES 2010B/2008A		X		X		X

Part II	Proceeds							
		A	B	C		D		
1	Amount of bonds retired	41,360,000	93,255,000	9,820,000		30,500,000		
2	Amount of bonds legally defeased	0	0	0		0		
3	Total proceeds of issue	72,206,221	480,670,570	308,759,499		270,200,000		
4	Gross proceeds in reserve funds	0	0	0		0		
5	Capitalized interest from proceeds	0	0	0		0		
6	Proceeds in refunding escrows	0	0	0		0		
7	Issuance costs from proceeds	1,206,221	3,629,482	2,303,890		0		
8	Credit enhancement from proceeds	0	0	0		0		
9	Working capital expenditures from proceeds	0	0	0		0		
10	Capital expenditures from proceeds	0	0	306,455,609		0		
11	Other spent proceeds	71,000,000	477,041,088	0		270,200,000		
12	Other unspent proceeds	0	0	0		0		
13	Year of substantial completion	2010		2013		2015		
		Yes	No	Yes	No	Yes	No	
14	Were the bonds issued as part of a current refunding issue?	X		X		X		
15	Were the bonds issued as part of an advance refunding issue?		X	X		X	X	
16	Has the final allocation of proceeds been made?	X		X		X	X	
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X	X	

Part III Private Business Use									
		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		X
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X		X		X		X

Part III Private Business Use (Continued)		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		X
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 %		0 %		0 %		0 %	
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government								
6	Total of lines 4 and 5								
7	Does the bond issue meet the private security or payment test? . . .		X		X		X		X
8a	Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of. . .								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?		X		X		X		X
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X		X		X		X	

Part IV Arbitrage		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? . . .		X		X		X		X
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?								
b	Exception to rebate?							X	
c	No rebate due?	X		X		X			
	If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?		X	X		X		X	
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		X
b	Name of provider	0		0		0		0	
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was the hedge terminated?								

Part IV Arbitrage (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X		X		X
b Name of provider	0		0		0		0	
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6 Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
7 Has the organization established written procedures to monitor the requirements of section 148?	X		X		X		X	

Part V Procedures To Undertake Corrective Action

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?	X		X		X		X	

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K (see instructions).

Return Reference	Explanation
PART II.B.3	DIFFERENCE FROM ISSUE PRICE DUE TO INVESTMENT EARNINGS

Return Reference	Explanation
PART II.C.3	DIFFERENCE FROM ISSUE PRICE DUE TO INVESTMENT EARNINGS

Return Reference	Explanation
PART IV.A.2	01/15/2016

Return Reference	Explanation
PART IV.B.2	04/28/2016

Return Reference	Explanation
PART IV.C.2	04/28/2016

Return Reference	Explanation
PART II.B.3	DIFFERENCE FROM ISSUE PRICE DUE TO INVESTMENT EARNINGS

Return Reference	Explanation
PART II.C.3	DIFFERENCE FROM ISSUE PRICE DUE TO INVESTMENT EARNINGS

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Memorial Hermann Health System

Supplemental Information on Tax-Exempt Bonds

- Complete if the organization answered "Yes" to Form 990, Part VI, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
► Attach to Form 990.
► Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018

Open to Public
Inspection

Employer identification number

74-1152597

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	HARRIS COUNTY CULTURAL ED FAC FINANCE CORP	76-0337885	414009KP4	06-08-2016	151,216,215	CONSTRUCTION OF HEALTHCARE FACILIT		X		X		X
B	HARRIS COUNTY CULTURAL ED FAC FINANCE CORP	76-0337885	414009KS8	06-08-2016	326,305,000	CONSTRUCTION/REFUND 2008A/2013C/D		X		X		X

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired	0		16,830,000					
2	Amount of bonds legally defeased	0		0					
3	Total proceeds of issue	152,153,046		326,642,590					
4	Gross proceeds in reserve funds	0		0					
5	Capitalized interest from proceeds	0		0					
6	Proceeds in refunding escrows	0		0					
7	Issuance costs from proceeds	1,216,215		1,649,048					
8	Credit enhancement from proceeds	0		0					
9	Working capital expenditures from proceeds	0		0					
10	Capital expenditures from proceeds	150,936,831		149,508,545					
11	Other spent proceeds	0		175,485,000					
12	Other unspent proceeds	0		0					
13	Year of substantial completion			2018					
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?		X	X					
15	Were the bonds issued as part of an advance refunding issue?		X		X				
16	Has the final allocation of proceeds been made?		X		X				
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

Part III Private Business Use

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X				
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X		X				

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X				
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X				
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	0 %		0 %					
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶								
6	Total of lines 4 and 5								
7	Does the bond issue meet the private security or payment test? . . .		X		X				
8a	Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X				
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of. . .								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?		X		X				
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X		X					

Part IV

Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? . . .		X		X				
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?	X		X					
b	Exception to rebate?								
c	No rebate due?								
	If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?		X	X					
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X				
b	Name of provider	0		0					
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was the hedge terminated?								

Part IV Arbitrage (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X				
b	Name of provider	0		0					
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		X		X				
7	Has the organization established written procedures to monitor the requirements of section 148?	X		X					

Part V Procedures To Undertake Corrective Action

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?	X		X					

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K (see instructions).

Schedule L

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ.
▶Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018

Open to Public Inspection

Name of the organization
Memorial Hermann Health System

Employer identification number
74-1152597

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only).
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958. ▶ \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$

Part II Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
Total ▶ \$												

Part III Grants or Assistance Benefiting Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Todd Aulbaugh	Family Member of Officer	173,906	EMPLOYMENT		No

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions).

Return Reference	Explanation
------------------	-------------

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Memorial Hermann Health System

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018**Open to Public
Inspection**

Name of the organization	Employer identification number
Memorial Hermann Health System	74-1152597

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI Section A, Line 4	During the tax year, the organization made changes to its by-laws, which include: changing the age limitation for persons to serve as a director; clarify the term the chair of the corporation and chair-elect serve in such roles; changing the term of appointment limitation on a committee or sub-committee member may serve.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, Line 6	The Corporation is a non-profit corporation existing under the Texas Business Organization s Code, as amended from time to time. The Corporation shall have individual corporate memb ers.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, Line 7a	<p>The Corporation's Members shall have such powers, exercise such rights and perform such duties as Members of the Corporation as may be required by applicable law or by express provision of the Certificate of Formation or its Bylaws, and the Members shall have no other powers, rights, or duties. The Members shall elect Directors to fill any existing or soon to be existing vacancy occurring in the Board of Directors.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, Line 7b	The following matters are reserved to the Corporation's Members and shall require the affirmative action of the Members to be effective: Any amendment to or restatement or repeal of the Certificate of Formation; Any amendment to or restatement or repeal of these Bylaws; The sale, transfer, or other disposition of all or substantially all of the assets of the Corporation and its Affiliates; The merger of the Corporation into, or the consolidation of the Corporation with, any other entity; or, the dissolution of the Corporation.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, Line 11b	<p>The Form 990 is prepared and reviewed by Memorial Hermann System Tax department. The System Tax department works with other departments throughout the organization to obtain the information needed to complete the Form 990. Upon completion, the Form 990 is reviewed by the organization's Chief Financial Officer, Chief Accounting Officer, and/or other key officers. A complete copy of the Form 990 is then provided to each member of the governing body prior to filing the Form 990.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, Line 12c	<p>Memorial Hermann Health System utilizes conflict of interest surveys and has codified its procedure in a policy. The policy is monitored by the organization's Corporate Compliance department through annual surveys of board members, corporate officers, management level employees, and other selected employees, physicians and vendors for all of its entities and related affiliates. In addition to responding to the survey, each recipient affirms that they have received a copy of the policy, have read and understood it, have agreed to comply with it, and understands that Memorial Hermann is a charitable organization to must engage in primarily tax-exempt purpose activities. The corporate compliance department, chief legal officer, and the corporate audit committee, consisting of independent board members, receive a report of all items disclosed. The audit committee chair reports the existence of any conflicts to the corporate board of directors. Memorial Hermann's conflicts of interest policy requires that board members excuse themselves from discussions in which they have a conflict of interest. The policy also subjects board members to disciplinary action if they are found to have violated the policy.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section B, Line 15	<p>The compensation committee of the Memorial Hermann board of directors retains the ultimate discretionary authority over all elements of executive compensation. The committee is comprised of individuals who are not employed by Memorial Hermann, and have no conflicting interests. The process for determining compensation for the organization's CEO and disqualified persons is modeled after the requirements in IRC section 4958 to establish the presumption of reasonable compensation. The compensation committee reviews and approves the total remuneration for the organization's disqualified persons in advance of being paid. On an annual basis, the compensation committee engages an independent third-party executive compensation consultant who uses comparable market data from published surveys and/or forms 990 of similar organizations to perform a competitive analysis and write an opinion letter regarding the competitive position of Memorial Hermann's disqualified persons. The compensation committee reviews the comparability data and opinion letter, and documents its discussion and decisions in minutes that are retained with the organization's other governance materials. The analysis is performed annually and it includes the President and CEO, all executive vice presidents and senior vice presidents of the organization, as well as family members of disqualified persons who are employed by Memorial Hermann.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section C, Line 19	Certain documents of the organization are available to the public through the Texas Secretary of State, such as the organization's certificate of formation and any amendments thereto. The organization is included in the consolidated audited financial statements, which are attached to the Form 990 and are made available to the public upon request. The organization's other governing documents and conflicts of interest policy are not made available to the public.

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part XI, Line 9	Noncontrolling interests \$70,189,060; Change in unfunded pension losses (\$3,949,000); Contributions and grants received and other changes in net assets, net \$82,246,791; Change in noncontrolling interests \$625,000

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION:INDIGENT CARE SERVICES TOTAL FEES:469122971

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION:MEDICAL SERVICES TOTAL FEES:150327987

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION:CONTRACT SERVICES TOTAL FEES:102881359

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION:ADMINISTRATIVE SERVICES TOTAL FEES:87238487

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION:MEDICAL EQUIPMENT SERVICES TOTAL FEES:9936635

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION:SECURITY FEE TOTAL FEES:2020703

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990 PART IX LINE 11G	DESCRIPTION:LAUNDRY SERVICES TOTAL FEES:1441123

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2018

Open to Public Inspection

Name of the organization
Memorial Hermann Health System

Employer identification number
74-1152597

Part I

Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II

Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) Memorial Hermann Community Benefit 929 Gessner Rd STE 1900 Houston, TX 77024 68-0511504	Community	TX	501(c)(3)	10	MHHS	Yes	
(2) Memorial Hermann Medical Group 929 Gessner Rd STE 1900 Houston, TX 77024 20-4923281	Physician Svc	TX	501(c)(3)	10	MHHS	Yes	
(3) MHS Physicians of Texas 929 Gessner Rd STE 1900 Houston, TX 77024 76-0385980	Physician Svc	TX	501(c)(3)	3	MHHS	Yes	
(4) Memorial Hermann Foundation 929 Gessner Rd STE 1900 Houston, TX 77024 74-1653640	Fundraising	TX	501(c)(3)	12a I	MHHS	Yes	
(5) Memorial Hermann Information Exchange 929 Gessner Rd STE 1900 Houston, TX 77024 02-0684202	Pop Health	TX	501(c)(3)	3	MHHS	Yes	
(6) Memorial Hermann Accountable Care Org 929 Gessner Rd STE 1900 Houston, TX 77024 80-0778181	ACO	TX	501(c)(4)	N/A	MHHS	Yes	
(7) Memorial Hermann Pharmacy Services LLC 929 Gessner Rd STE 1900 Houston, TX 77024 20-2184459	Pharmacy	TX	501(c)(3)	10	MHHS	Yes	

Part III Identification of Related Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

See Additional Data Table

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

See Additional Data Table

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512(b) (13) controlled entity?	
								Yes	No

Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		Yes	No
a	Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity	1a		No
b	Gift, grant, or capital contribution to related organization(s)	1b	Yes	
c	Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d	Loans or loan guarantees to or for related organization(s)	1d		No
e	Loans or loan guarantees by related organization(s)	1e		No
f	Dividends from related organization(s)	1f		
g	Sale of assets to related organization(s)	1g	Yes	
h	Purchase of assets from related organization(s)	1h		No
i	Exchange of assets with related organization(s)	1i		No
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	Yes	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	Yes	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l		No
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m		No
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n		No
o	Sharing of paid employees with related organization(s)	1o	Yes	
p	Reimbursement paid to related organization(s) for expenses	1p	Yes	
q	Reimbursement paid by related organization(s) for expenses	1q	Yes	
r	Other transfer of cash or property to related organization(s)	1r	Yes	
s	Other transfer of cash or property from related organization(s)	1s	Yes	

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

See Additional Data Table

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII **Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions).

Return Reference	Explanation

Additional Data

Software ID:

Software Version:

EIN: 74-1152597

Name: Memorial Hermann Health System

Form 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Dispropportionate allocations?		(i) Code V-UBI amount in Box 20 of Schedule K-1 (Form 1065)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) MHUSP Surgery Ctr III LLP 15305 Dallas Parkway Suite 1600 L Addison, TX 75001 20-0707543	Amb Surgery Cntr	TX	MH HealthSystem	Related	8,766,246	12,188,043		No	0	Yes		50.100 %
(1) MH Rehab Hospital Katy LLC 929 Gessner Rd STE 1900 Houston, TX 77024 26-3896170	Rehabilitation	TX	MH HealthSystem	Related	2,034,022	19,027,345		No	0	Yes		56.230 %
(2) MHUSP Surgery Centers IV LLP 15305 Dallas Pkwy Ste 1600 LB 28 Addison, TX 75001 20-8575266	Amb Surgery Cntr	TX	MH HealthSystem	Related	15,648,243	51,696,365		No	0		No	50.100 %
(3) MH Emerus JV LLC 8686 New Trails Dr Ste 100 The Woodlands, TX 77381 82-1739402	Emergency Service	TX	MH HealthSystem	Related	337,301	1,093,760		No	0		No	51.000 %
(4) MH Surgery Crt Katy LLP 15305 Dallas Pkwy Ste 1600 LB 28 Addison, TX 75001 20-3360737	Amb Surgery Cntr	TX	NA	Related	842,180	759,855		No	0		No	42.001 %
(5) MH Surgery Ctr Memorial City LLC 15305 Dallas Pkwy Ste 1600 LB 28 Addison, TX 75001 26-4276930	Amb Surgery Cntr	TX	NA	Related	57,065	37,616		No	0		No	28.980 %
(6) MH Surgery Ctr Texas Medical Center LLP 15305 Dallas Pkwy Ste 1600 LB 28 Addison, TX 75001 20-3233666	Amb Surgery Cntr	TX	NA	Related	437,489	814,373		No	0		No	48.555 %
(7) MH Surgery Center The Woodlands 20-1765863	Amb Surgery Cntr	TX	NA	Related	480	0		No	0		No	26.194 %

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) MHMD 929 Gessner Rd STE 1900 Houston, TX 77024 76-0074819	Integrated PN	TX	NA	C corp				Yes	
(1) The Health Professionals Ins Company LTD Barclays House 3rd Floor Grand Cayman CJ	Investments	CJ	MH HealthSystem	C Corp	-12,769,259	101,428,420	100.000 %	Yes	
(2) Memorial Hermann Health Solutions Inc 929 Gessner Rd STE 1900 Houston, TX 77024 26-4419989	Insurance	TX	NA	C corp				Yes	
(3) Memorial Hermann Health Insurance Co 929 Gessner Rd STE 1900 Houston, TX 77024 76-0646301	Insurance	TX	na	C corp				Yes	
(4) Memorial Hermann Health Plan Inc 929 Gessner Rd STE 1900 Houston, TX 77024 46-2707092	Insurance	TX	na	C Corp				Yes	
(5) Memorial Hermann Health Plan Holdings LL 929 Gessner Rd STE 1900 Houston, TX 77024 81-2971502	Insurnace	TX	MH HealthSystem	C Corp	0	15,266,618	100.000 %	Yes	
(6) MH Commercial Health Plan Inc 929 Gessner Rd Ste 1900 Houston, TX 77024 20-6680981	Insurance	TX	NA	C Corp				Yes	
(7) Memorial Hermann Ventures LLC 929 Gessner Rd Ste 1900 Houston, TX 77024 82-5207571	Holding Company	TX	MH HealthSystem	C Corp	646,392	153,710	100.000 %	Yes	

Form 990, Schedule R, Part V - Transactions With Related Organizations

(a) Name of related organization		(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
(1)	Memorial Hermann Foundation	C	16,448,998	GAAP
(1)	MHS Physicians of Texas	R	72,184,042	GAAP
(2)	MHS Physicians of Texas	S	40,535,076	GAAP
(3)	Memorial Hermann Accountable Care Org	R	31,041,857	GAAP
(4)	Memorial Hermann Accountable Care Org	S	36,055,875	GAAP
(5)	Memorial Hermann Information Exchange	R	6,034,560	GAAP
(6)	Memorial Hermann Information Exchange	S	3,912,136	GAAP
(7)	Memorial Hermann Pharmacy Services LLC	R	41,812,343	GAAP
(8)	Memorial Hermann Pharmacy Services LLC	S	35,017,946	GAAP
(9)	Memorial Hermann Rehab Hospital Katy LLC	R	26,462,844	GAAP
(10)	Memorial Hermann Rehab Hospital Katy LLC	S	16,119,529	GAAP
(11)	Memorial Hermann Medical Group	R	272,340,183	GAAP
(12)	Memorial Hermann Medical Group	S	163,794,054	GAAP
(13)	Memorial Hermann Foundation	R	13,369,010	GAAP
(14)	Memorial Hermann Foundation	S	14,429,959	GAAP
(15)	Memorial Hermann Health Solutions Inc	R	30,677,583	GAAP
(16)	Memorial Hermann Health Solutions Inc	S	22,135,903	GAAP
(17)	Memorial Hermann Health Insurance Company	R	23,457,262	GAAP
(18)	Memorial Hermann Health Insurance Company	S	20,584,451	GAAP
(19)	Memorial Hermann Health Plan Inc	R	42,941,264	GAAP
(20)	Memorial Hermann Health Plan Inc	S	36,216,435	GAAP
(21)	Memorial Hermann Commercial Health Plan Inc	R	1,694,900	GAAP
(22)	Memorial Hermann Commercial Health Plan Inc	S	1,366,364	GAAP
(23)	MHMD	R	47,308,323	GAAP
(24)	MHMD	S	32,975,851	GAAP

Form 990, Schedule R, Part V - Transactions With Related Organizations			
(a) Name of related organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
(26) Memorial Hermann Ventures	R	11,951,964	GAAP
(1) Memorial Hermann Ventures	S	825,936	GAAP
(2) Memorial Hermann Community Benefit	R	12,432,533	GAAP
(3) Memorial Hermann Community Benefit	S	13,269,568	GAAP